This form may be submitted to DOE by fax, e-mail, or secure file transfer. Should you choose to submit your data via e-mail, we must advise you that e-mail is an insecure means of transmission because the data are not encrypted, and there is some possibility that your data could be

U.S. DEPARTMENT OF
ENERGY

OMB No. 1910-5154
Expiration Date: 3/31/2011
Version NO. 2010.01

FORM PI-588
RFS2 SMALL REFINERY SURVEY 2010

Section 211(o)(9)(A)(ii) of the Clean Air Act, as amended by the Energy Policy Act of 2005 (EPACT 2005), requires that the Department of Energy (DOE) conduct a study for the Administrator of the Environmental Protection Agency (EPA) assessing whether the renewable fuel standard (RFS) would impose a "disproportionate economic hardship" on small refineries, This optional survey allows respondents to submit data that will provide technical support for a determination of disproportionate economic hardship. **Title 18 USC 1001 makes it a criminal offense for any person knowingly and willingly makes to any Agency or Department of the United States any false, fictitious,**

Part 1. RESPONDENT IDENTIFICATION DATA

ID NUMBER: ____________

Company Name: ____________
Doing Business as: ____________
Site name: ____________
Terminal Control Number: ____________
Physical Address of Contact (e.g. Street Address, Building Number, Floor, Suite): ____________

City: ______________ **State:** ______________ **Zip:**______ - ________

Mailing Address of Contact (e.g., PO Box, RR): If the physical and mailing address are the same, only complete the physical address.

City: ______________ **State:** ______________ **Zip:**______ - ________

Contact Name: ____________
Phone No.: ____________
Fax No.: ____________
Email address: ____________

Part 2. SUBMISSION/RESUBMISSION INFORMATION

If this is a resubmission, enter an "X" in the box: ☐

A completed form must be received by October 25, 2010.

Forms may be submitted using one of the following methods:

Secure File Transfer:
Should you choose to use the secure file transfer method, use the PI-588 Posting Instructions and the user name and password included in the cover letter. Contact the survey manager if needed.

Email: SBR@hq.doe.gov

Fax: **(202) 586-5391**

Questions?	**Call: 202 586 1393**	**Tom White**
	202 586 1010	**Pete Whitman**

		2007	2008	2009
	Part 3. Financial Health of the Refinery			
	Balance Sheet - Corporate Level			
3.01	What month did your fiscal year start in 2007,2008 and 2009?			
3.1	How much cash and marketable securities did you have at the end of the fiscal year 2007, 2008 and 2009?			
3.2	How much were your Current Liabilities at the end of fiscal year 2007,2008 and 2009?			
3.3	How much did you owe in long term debt at the end of fiscal year 2007, 2008 and 2009?			
	Statement of Income - Refinery Level			
3.4	What were your yearly Capital Expenditures in 2007, 2008 and 2009?			
3.5	What were your yearly Operational Expenditures in the fiscal year 2007, 2008 and 2009?			
3.6	What was your Gross Refining Margin in dollars per barrel for the fiscal year 2007, 2008 and 2009?			
3.7	What was your Net Refining Margin in dollars per barrel in fiscal year 2007, 2008 and 2009?			
3.8	Are there any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship? Please provide comments below.			

3.9 Are there any items on your Statement of Income that you judge to be noteworthy with regards to claiming disproportionate economic hardship? Please provide comments below.

Cost of Capital - Corporate Level

3.10	What is your current Debt/Equity Ratio?	
3.11	What is your current Weighted Average Cost of Capital?	
3.12	What is your Internal Rate of Return (IRR) on projects?	
	If financing is required for future projects related to purchasing or holding RINs, estimate the cost (interest rate) of:	
3.13	Capital Expenditures	
3.14	Operational Expenditures	
3.15	Do you have a credit rating with a rating agency? YES or NO	
	If YES, provide:	
3.16	Name of rating agency	
3.17	Current credit rating	
3.18	If financing is required for future projects related to purchasing, separating, or holding RINs, are there any debt loan covenents that may pose restrictions on borrowing? Please specify below.	
3.19	Do you anticipate any cash flow or credit issues related to purchasing, separating, or holding RINs? Please specify below.	

Previous Projects - Corporate Level

	What percent of Capital Expenditures over the last three years have been for:	2007	2008	2009
3.20	Environmentally required projects?			
3.21	Required safety projects?			
3.22	What percent of these projects were financed through internally generated cash flow?			

Future Projects - Corporate Level

	Estimate the dollar value you plan to spend on Capital Expenditures over the next three years on environmentally required projects:	2010	2011	2012
3.23	Ultra Low sulfur diesel			
3.24	Low sulfur gasoline			
3.25	Control of Hazardous Air Pollutants From Mobile Sources (MSAT2)			
3.26	Consent Decree			
3.27	Other			
3.28	What percent of these projects will be financed through internally generated cash flow?			
3.29	What is the estimated budget for Capital Expenditures over the next three years?			

	Part 4. Cost of RFS2 Compliance - Refinery Level		
4.1	Do you currently own a facility capable of blending renewable fuels? YES or NO. If YES, answer the following questions:		
	Type of facility	Refinery Rack	Terminal
4.2	If you answered YES, state the average annual net input of gasoline blendstock (thousands of barrels per day).		
4.3	If you answered YES, state the average annual net input of diesel (thousands of barrels per day) .		
4.4	If you answered YES, state the annual volume of ethanol (thousands of gallons per day) blended.		
4.5	If you answered YES, state the annual volume of biomass based diesel (thousands of gallons per day) blended.		
4.6	If you answered YES, please state the in-service date.		
4.7	If you answered YES, please estimate the cost of building the facility, in thousands of dollars.		
4.8	If you answered YES, please estimate the length of time it took to construct the facility. Use Comment section in 4.17 for additional space.		
	Estimate the dollar value of expenditures needed to change refinery operations for RFS2 compliance in 2011?		
4.9	Cost of modifying refinery operations.		
4.10	Cost of modifying terminal or rack blending operation.		
4.11	Cost to maintain RIN records, and/or purchase RINS in cents/RIN. Provide the RIN transaction cost (not the cost of RINS).		
4.12	Please estimate the length of time it will take to construct the facilities. Use Comment section in 4.17 for additional space.		
4.13	How many RINS did you separate through blending in 2009?		
	How much transportation fuel subject to RFS2 compliance will you produce in 2011?		Volume (thousand barrels per day)
4.14	Gasoline (defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal)		
4.15	Diesel		
	How does the introduction of renewable fuels into the transportation fuel mix change your competitive position?		
4.16	If the introduction of renewable fuels changes your competitive position, place X in box. Please provide reasons and comments below.		
4.17			
	Please list any state or local regulations that may impede your ability to sell renewable fuels. Provide comments in text box below.		
4.18			
	Additional comment section for questions (4.1-4.10)		
4.19			

ED_006004A_00000030-00006

Part 5. Market Share - Refinery Level

		2007	2008	2009
	How much of the transportation fuel produced at your refinery could accept renewable fuels (i.e. ethanol, biomass diesel) and then be sold as a finished product in 2007,	2007	2008	2009
5.1	Gasoline (defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal)			
5.2	Diesel			
	What is your share of supply in your primary market for retail gasoline sales? Please indicate your primary market, and your market share for the years 2007, 2008, and 2009. Provide a description in the comment section below (5.4).	2007	2008	2009
5.3	Market Share			
5.4				
	What is your share of supply in your primary market for retail diesel sales? Please indicate your primary market, and your market share for the years 2007, 2008, and 2009. Provide a description in the comment section below (5.6).	2007	2008	2009
5.5	Market Share			
5.6				
	Provide the RINS generated through sale of products via contractual agreements and the share of your gasoline and diesel sold through contractual agreements in 2009.		RINS	Share
5.7	Gasoline			
5.8	Diesel			
	What is your share of the market for sales to resellers? Please provide the share of volume sold in 2007, 2008, and 2009.	2007	2008	2009
5.9	Gasoline			
5.10	Diesel			
	What share of your product is sold into common carrier product pipelines? Please provide the share of volume sold in 2007, 2008, and 2009.	2007	2008	2009
5.11	Gasoline			
5.12	Diesel			
	What share of your product is sold through company owned retail outlets (include lessee-dealers) ? Please provide the share of volume sold in 2007, 2008, and 2009.	2007	2008	2009
5.13	Gasoline			
5.14	Diesel			
	For additional comments use the following comment section.			
5.15				

U.S. DEPARTMENT OF ENERGY
Policy and International Affairs
Washington, D.C. 20585

OMB No. 1910-5154
Expiration Date: 3/31/2011
(Initial version 05/2010)

PI-588

RFS2 Small Refinery Survey 2010

INSTRUCTIONS

QUESTIONS

If you have any questions about the Small Refinery Exemption Survey after reading the instructions, please contact the Policy and International Affairs (PI) Survey Manager at (202) 586-1010 or at (202) 586-1393.

PURPOSE

The purpose of this survey is to collect information to assist in determining a small refinery's eligibility for exemption from the requirements of the RFS2 (CAA § 211(o))

WHO MUST SUBMIT

This survey is optional. Small refineries may submit data to provide technical support for a determination of disproportionate economic hardship. Each refinery should fill out a separate survey.

WHEN TO SUBMIT

This is a one-time data collection.

HOW TO SUBMIT

Instructions on how to report via facsimile, secure file transfer, or e-mail are printed on PART 2 of the survey form.

- Secure File Transfer: This form may be submitted to PI by facsimile, e-mail, or secure file transfer. Should you choose to submit your data via e-mail or facsimile, we must advise you that e-mail and facsimile are insecure means of transmission because the data are not encrypted, and there is some possibility that your data could be compromised. You can also send your Excel files to PI using a secure method of transmission: HTTPS. This is an industry standard method to send information over the web using secure, encrypted processes. (It is the same method that commercial companies use to communicate with customers when transacting business on the web.) To use this service, we recommend the use of Microsoft Internet Explorer 5.5 or later or Netscape 4.77 or later. Should you choose to use the secure file transfer method, follow the procedures in the separate Posting Instructions document.

COPIES OF SURVEY FORMS, INSTRUCTIONS AND DEFINITIONS

Copies in portable document format (PDF) and spreadsheet format (XLS) are available on the Office of Policy and International Affairs (PI's) website. You may access the materials by following the steps:

- Go to PI's website at http://www.pi.energy.gov/

Files must be saved to your personal computer. Data cannot be entered interactively on the website.

GENERAL INSTRUCTIONS

All definitions are to be construed as consistent with the Energy Information Administration's Form EI-810, "Monthly Refinery Report," EIA-815, "Monthly Bulk Terminal and Blender Report," and EI-28, "Financial Reporting System," and other forms as appropriate.

Renewable Identification Numbers (RINs) are construed as defined by EPA here. Other definitions of petroleum products and terms are available on the EIA website www.eia.doe.gov . A Glossary of terms used in the EI-28 is also available, with additional terms here. Please refer to these definitions before completing the survey form.

PART 1. RESPONDENT IDENTIFICATION DATA

- Enter the 3 digit number you received with the survey form. If you do not have a number, submit your report leaving this field blank. PI will advise you of the number.
- Enter the name of the reporting company.
- Enter the Doing Business As "DBA" name if appropriate.
- Enter the refinery site name.
- Enter the Terminal Control Number (TCN) used for identification of terminals and other facilities in the IRS ExSTARS system.
- Enter the physical address of the reporting company.
- Enter the mailing address of the Contact. (Note: If the physical address and mailing address are the same, provide the information only for the physical address.)
- Enter the name, telephone number, facsimile number, and e-mail address of the person to contact concerning information shown on the report. The person listed should be the person most knowledgeable of the specific data reported.

PART 2. SUBMISSION/RESUBMISSION INFORMATION

Submission

Refer to "How to Submit" section for more details or methods for submitting data.

Resubmission

A resubmission is required whenever an error greater than

5 percent of the true value is discovered by a respondent or if requested by PI.

Enter "X" in the resubmission box if you are correcting information previously reported.

Identify only those data cells and lines which are affected by the changes. You are not required to file a complete form when you resubmit, but be sure to complete the ID number and contact information.

SPECIFIC INSTRUCTIONS

PART 3. FINANCIAL HEALTH OF THE REFINERY

Do not report the data elements in this Part if you are a public company and the data are publicly available. Note where to locate the data items you did not report in the comments.

Balance Sheet Items

All values in thousands of dollars unless otherwise stated.

All balance sheet items are to be reported at the company level.

Start of Fiscal Year (3.01). Report the month the fiscal year started in 2007, 2008, 2009.

Cash and marketable securities. (3.1) Report available cash and marketable securities at the end of the fiscal year 2007, 2008 and 2009.

Current liabilities (3.2) Report current liabilities, defined as debt or obligations (including long term debt interest) due within one year at the end of the fiscal year 2007, 2008 and 2009.

Long Term Debt (3.3) Report long term debt, defined as debt due over a horizon longer than one year at the end of the fiscal year 2007, 2008 and 2009.

Statement of Income

All Statement of Income items are to be reported at the refinery level.

Report for fiscal year 2007, 2008 and 2009 unless otherwise stated.

All values in thousands of dollars unless otherwise stated.

Capital Expenditures (3.4). Report capital expenditures for the fiscal years 2007, 2008 and 2009.

Yearly operating expenditures (3.5). Report annual operational expenditures for the fiscal years 2007, 2008 and 2009.

Gross Refining Margin (dollars per barrel) (3.6) Report the difference between the revenue from the sale of petroleum products (e.g., motor gasoline) and the refinery acquisition cost of the raw materials (e.g., crude oil) used to produce the products.

Net Refinery Margin (dollars per barrel) (3.7) Report the difference between the gross refining margin and the costs of producing and selling the petroleum products (e.g., refining energy costs and selling costs). The net margin measures before-tax cash earnings from the production and sale of refined products. The net margin excludes peripheral activities such as non-petroleum product sales at convenience stores.

Comments on Balance Sheet (3.8). Report any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship.

Comments on Statement of Income (3.9). Report any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship.

Cost of Capital

All values in thousands of dollars unless otherwise stated

All Cost of Capital items are to be reported at the company level.

Current Debt/equity ratio (3.10): Report the current debt/equity ratio (fraction).

Current weighted average cost of capital (3.11). Report your weighted average cost of capital for capital expenditures (percent).

Internal Rate of Return (IRR): (3.12) Report the current required rate of return .

Anticipated cost of incremental capital (3.13). Report based on current market conditions, your weighted average cost of capital for anticipated capital expenditures (percent).

Anticipated cost of financing incremental operational expenditures. (3.14). Report based on current market conditions, your interest rate for anticipated incremental working capital (percent).

Credit rating (3.15). Report yes if the company has a credit rating by a NRSRO (e.g. Moody's).

Name of Credit Rating Company (3.16). Report the name of the credit rating company, if available.

Credit Rating (3.17). Report the rating, if available.

Debt restriction or covenants (3.18). If financing is required for future projects related to compliance with Renewable Fuel Standard (RFS) program, **report** any debt loan covenants that may pose restrictions on borrowing.

Anticipated cash flow or credit issues (3.19): Report any anticipated cash flow or credit issues (such as loan covenants) that may present problems for compliance with the Renewable Fuel Standard (RFS) program

Historical Capital Improvements: Report percent of capital expenditures over last three years for:

(3. 20) Required environmental projects

(3.21) Required Safety projects

Use of internal funds for historical capital improvements (3.22). Report the percent of historical capital improvements in (3.20 – 3.21) funded through internal funds.

Future environmental projects: Report anticipated capital expenditures over next three years for:

(3.23) Low (and ultra-low) sulfur diesel

(3.24) Low sulfur gasoline

(3.25) MSAT2

(3.26) Consent decrees

(3.27) Other

Use of internal funds for future capital improvements (3.28). Report the percent of anticipated capital improvements in (3.23 – 3.27) to be funded through internal funds.

Funds for future capital improvements (3.29). Report the amount (in thousand dollars) of all anticipated capital improvements over next three years.

Part 4. Market Compliance

All values in thousands of dollars unless otherwise stated.

All Market Compliance items are to be reported at the refinery level.

Owned or controlled facilities (4.1). Report Yes if any owned or controlled facilities capable of blending renewable fuels. If there are multiple facilities provide details of (4.2 – 4.8) in the comment section (4.19)

(4.2) Report total 2009 average daily gasoline net input (thousands of barrels per day, defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal)

(4.3) Report total 2009 average daily diesel net inputs of transportation fuels (thousands of barrels per day). The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

(4.4) Report total 2009 average daily ethanol blended (thousands of gallons per day).

.

(4.5) Report total 2009 average daily biomass-based diesel blended (thousands of gallons per day). Biomass-based diesel includes both biodiesel and renewable diesel.

(4.6) Report In-service dates.

(4.7) Report Total cost for all facilities.

(4.8) Report number of months needed to construct facility(s) to allow blending by project.

Expenditures required to develop blending capability. Report dollar value of facilities necessary to develop sufficient blending capability to meet the 2011 Renewable Volume Obligation listed below.

(4. 9) Modify refining operations

(4. 10) Modify terminal or blending operations

(4.11) Modify reporting and accounting operations to include RINS. Specify this cost in cents/RIN (amortized for any capital expenditures such as computer systems).

(4.12) Estimate number of months needed to construct facility(s) to allow blending by project.

RINS generated through blending (4.13). Report number of RINS (in thousands) separated through blending renewable fuels in 2009.

Gasoline Blendstock produced. (4.14) Report total gasoline blendstock (thousands of barrels per day) anticipated to be produced in 2011.

Diesel Blendstock produced. (4.15) Report total diesel blendstock (thousands of barrels per day) anticipated to be produced in 2011.

Competitive pricing (4.16) Report Yes if you believe that if your refinery blended renewable fuels, it would you be able to price the renewable fuels competitively with other conventional fuels in the market.

Comment on competitive price (4.17). Comment on ability for competitive pricing of renewable fuels (4.16) describe above.

State and local restrictions (4.18). Report any state or local restrictions that would impede either blending renewable fuels or maintaining ownership of the generated RINS.

Comment on multiple constructed facilities (4.19). Report any additional data on cost and construction time of facilities listed in (4.1 – 4.12).

Part 5. Market Issues

All Market Issues items are to be reported at the refinery level.

Gasoline Blendstock produced. (5.1) Report total gasoline blendstock (thousands of barrels per day, defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal) produced at your refinery that could accept renewable fuels (i.e. ethanol) in 2007, 2008, and 2009.

Diesel produced. (5.2) Report total diesel blendstock (thousands of barrels per day) produced at your refinery that could accept renewable fuels in 2007, 2008, and 2009.

Share of supply for gasoline (5.3) Report your market share (in percent) of gasoline supplied in your primary market in 2007, 2008, and 2009.

Description of gasoline market (5.4) Define your primary market consistent with (5.3). Examples are a city, metropolitan area, or a maximum distance from the supply point.

Share of supply for diesel (5.5) Report your market share (in percent) of transportation diesel fuels supplied in your primary market in 2007, 2008, and 2009. The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

Description of diesel market (5.6) Define your primary market for diesel consistent with (5.5). Examples are a city, metropolitan area, or a maximum distance from the supply point.

Contractual arrangements (5.7) Report the number (in thousands of RINS) and share (percent) of (5.1) of any contracts in which you sell gasoline and retained the RINS separated 2009.

Contractual arrangements (5.8) Report the number (in thousands of RINS) and share (percent) of (5.2) of any contracts in which you sell diesel and retained the RINS separated in 2009

Sales for resale of gasoline (5.9) Report the share (percent of (5.1)) of sales to resellers in 2007, 2008, and 2009.

Sales for resale of transportation diesel (5.10) Report the share (percent of (5.2)) of sales to resellers of transportation diesel in 2007, 2008, and 2009. The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

Pipeline sales of gasoline (5.11) Report the volume (in thousands of barrels per day) and share (percent of (5.1)) of pipeline sales (sales where custody changes at the refinery gate or pipeline) through common carrier pipelines in 2007, 2008, and 2009.

Pipeline sales of diesel (5.12) Report the volume (in thousands of barrels per day) and share (percent of (5.1)) of pipeline sales (sales where custody changes at the refinery gate or pipeline) through common carrier pipelines in 2007, 2008, and 2009.

Retail sales of gasoline (5.13) Report the share (percent of (5.1)) of retail sales through your company-owned (including lessee-dealers) or operated retail outlets in 2007, 2008, and 2009.

Retail sales of diesel (5.14) Report the share (percent of (5.1)) of retail sales through your company-owned (including lessee-dealers) or operated retail outlets in 2007, 2008, and 2009.

Comments (5.15): Report any additional information for Part 5.

PROVISIONS REGARDING CONFIDENTIALITY OF INFORMATION

The information reported on this form will be protected and not disclosed to the public to the extent that it satisfies the criteria for exemption under the Freedom of Information Act (FOIA), 5 U.S.C. §552, the DOE regulations, 10 C.F.R. §1004.11, implementing the FOIA, and the Trade Secrets Act, 18 U.S.C. §1905.

The Federal Energy Administration Act requires the DOE to provide company-specific data to other Federal agencies when requested for official use. The information reported on this form may also be made available, upon request, to another component of the Department of Energy (DOE); to any Committee of Congress, the Government Accountability Office, or other Federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used for any nonstatistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

Disclosure limitation procedures are not applied to the statistical data published from this survey's information. Thus, there may be some statistics that are based on data from fewer than three respondents, or that are dominated by data from one or two large respondents. In these cases, it may be possible for a knowledgeable person to estimate the information reported by a specific respondent.

Company specific data are also provided to other DOE offices for the purpose of examining specific petroleum operations in the context of determining compliance costs with the RFS2 program.

The data collected on Form PI-588, "RFS2 Small Refinery Survey 2010" are used to report aggregate statistics on and conduct analyses of the operation of U.S. petroleum refineries.

FILING FORMS WITH THE FEDERAL GOVERNMENT AND ESTIMATED REPORTING BURDEN

Respondents are not required to file or reply to any Federal collection of information unless it has a valid OMB control number. This is a one time survey. Public reporting burden for this collection of information is estimated to average 15 hours per response. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden to: Policy and International and Affairs, PI-42, 1000 Independence Avenue, S.W., Washington, D.C. 20585; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Correspondence Management System
Control Number: AX-09-000-3074
Printing Date: March 10, 2009 02:51:15

CMS

Citizen Information

Citizen/Originator: **Chu, Steven**
Organization: United States Department of Energy
Address: 1000 Independence Avenue, SW, Washington, DC 20585

Constituent: N/A
Committee: N/A **Sub-Committee:** N/A

Control Information

Control Number:	AX-09-000-3074	**Alternate Number:**	N/A
Status:	Pending	**Closed Date:**	N/A
Due Date:	Mar 24, 2009	**# of Extensions:**	0
Letter Date:	Feb 25, 2009	**Received Date:**	Mar 9, 2009
Addressee:	AD-Administrator	**Addressee Org:**	EPA
Contact Type:	LTR (Letter)	**Priority Code:**	Normal
Signature:	AD-Administrator	**Signature Date:**	N/A

File Code: 404-141-02-01 141a Controlled and Major Correspondence Record copy of controlled and major correspondence of the offices of the EPA Administrator, Deputy Administrators, Assistant and Associate Administrators, General Counsel, Inspector General, Chie
Subject: Daily Reading File - Small Refineries Exemption Study
Instructions: AD-Prepare draft response for the Administrator's signature
Instruction Note: N/A
General Notes: N/A
CC: N/A

Lead Information

Lead Author: N/A

Lead Assignments:

Assigner	Office	Assignee	Assigned Date	Due Date	Complete Date
Jacqueline Leavy	OEX	OAR	Mar 10, 2009	Mar 24, 2009	N/A
	Instruction: AD-Prepare draft response for the Administrator's signature				
Martha Faulkner	OAR	OAR-OTAQ	Mar 10, 2009	Mar 19, 2009	N/A
	Instruction: AD-Prepare draft response for the Administrator's signature				
Tanya Meekins	OAR-OTAQ	OAR-OTAQ-CISD	Mar 10, 2009	Mar 17, 2009	N/A
	Instruction: N/A				

Supporting Information

Supporting Author: N/A

Supporting Assignments:

Assigner	Office	Assignee	Assigned Date
No Record Found.			

History

Action By	Office	Action	Date
Jacqueline Leavy	OEX	Assign OAR as lead office	Mar 10, 2009
Martha Faulkner	OAR	Accepted the group assignment	Mar 10, 2009
Martha Faulkner	OAR	Assign OAR-OTAQ as lead office	Mar 10, 2009
Tanya Meekins	OAR-OTAQ	Accepted the group assignment	Mar 10, 2009
Tanya Meekins	OAR-OTAQ	Assign OAR-OTAQ-CISD as lead office	Mar 10, 2009

Comments

Commentator	Comment	Date
No Record Found.		

Appendix D. PI-588 Survey Form

Introduction

The 2010 Small Refineries Exemption Study was developed to determine if small refiners suffer "disproportionate economic hardship" through compliance with the Renewable Fuel Standard (RFS). In an effort to collect input from small refineries for use in the study, the Department of Energy's Office of Policy and International Affairs (PI) developed an original survey instrument to gather data on specific characteristics of individual small refineries. The optional survey allowed respondents to submit data that provided technical support for a determination of disproportionate economic hardship.

The survey elements, in conjunction with previously collected and other public data were used to characterize the firm's cost of compliance and its financial resilience in the face of estimated compliance costs associated with the RFS2 regulation. Data elements from the survey, including capital costs, operating costs, ability to generate Renewable Identification Numbers (RINs) and projected RIN costs were used to estimate the cost of compliance in cents per gallon of product.

The survey was submitted to the Office of Management and Budget (OMB) for review and clearance on July 8, 2010. A Federal Register Notice[1] and 30 day public comment period were opened on July 15, 2010.

The survey received clearance from the Office of Management and Budget on September 22, 2010 and was distributed electronically via email to 59 small refineries on September 27, 2010. The survey was to be completed and returned electronically using a designated PI website by October 25, 2010.

The survey consisted of five parts:

- Respondent Identification
- Submission/Resubmission
- Financial Health of Refinery
- Market Compliance
- Market Issues

Time series questions sought three years of data (2007, 2008, 2009 for historical series and 2010, 2011, 2012 for future looking series). The cover letter, survey form, survey instructions, and electronic filing instructions are provided in this appendix.

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[1] Federal Register: July 15, 2010 (Volume 75, Number 135). [HYPERLINK "http://edocket.access.gpo.gov/2010/2010-17288.htm"]

Figure D-1. Survey Cover Letter

Dear PI-588 Respondent,

The Department of Energy (DOE) has determined that the following refinery(s) under your authority meet the qualifications for possible extension of the exemption from compliance with the Renewable Fuel Standard program: Refinery Name(s). As a result, your company has been selected to participate in the DOE "Small Refinery Exemption," survey PI-588. Section 211(o)(9)(A)(ii) of the Clean Air Act, as amended by the Energy Policy Act of 2005 (EPACT 2005), requires that the DOE conduct a study for the Administrator of the Environmental Protection Agency assessing whether compliance with the Renewable Fuel Standard would impose a "disproportionate economic hardship" on small refineries.

Your cooperation in completing this optional, one-time, survey will be greatly appreciated. It will help us to produce a more complete and accurate assessment of "disproportionate economic hardship." Since qualification for exemption will be determined on a case by case basis for each refinery, please complete and submit a separate survey form for each refinery listed. Please rename your survey form file (PI-588-survey-form.xls) by adding the name of the city where the refinery is located when submitting to avoid confusion. Please return the PI-588 survey by **October 25, 2010 in** order for it to be considered in the Small Refinery Exemption study.

Please read the attached instructional document, PI-588-survey-instructions.pdf, carefully as it contains important information regarding each data field including units of measure. Note that some of the fields ask for data in a different unit of measure than you may be accustomed to reporting on the EIA-810 or other surveys. Also, please refer to the PI-588 survey instructions for a description of the authority of the DOE to collect information and a statement describing confidentiality of the information collected.

The Small Refinery Exemption survey must be submitted electronically. Please follow the attached instructional document, PI-588 posting instructions.pdf, which explains the process for secure, electronic posting of the survey. Your initial username is the email address to which the survey was delivered; the initial password is **!#password**. As noted in the posting instructions, please change your password after your initial log-in.

If you have any questions or concerns, please contact **Pete Whitman, 202-586-1010,** Peter.Whitman@hq.doe.gov (especially for technical questions) or me (carmen.difiglio@hq.doe.gov, 202-586-8436). Please keep a copy of your completed survey for your files.

Thank you for your cooperation in this important endeavor.

Sincerely,

Carmine Difiglio
Deputy Assistant Secretary for Policy Analysis
Office of Policy and International Affairs

Figure D-2. PI-588 Survey Form

This form may be submitted to DOE by fax, e-mail, or secure file transfer. Should you choose to submit your data via e-mail, we must advise you that e-mail is an insecure means of transmission because the data are not encrypted, and there is some possibility that your data could be compromised. You can also send your Excel files to DOE using a secure method of transmission: HTTPS. This is an industry standard method to send information over the web using secure, encrypted processes. (It is the same method that commercial companies communicate with customers when transacting business on the web.) To use this service, we recommend the use of Microsoft Internet Explorer 5.5 or later or Netscape 4.77 or later. Send your surveys using this secure method at: https://signon.eia.doe.gov/upload/noticeoog.jsp

U.S. DEPARTMENT OF
ENERGY

OMB No. XXXX-XXXX

Expiration Date: 12/30/2010

Version NO. 2010.01

FORM PI-588

RFS2 SMALL REFINERY SURVEY 2010

Section 211(o)(9)(A)(ii) of the Clean Air Act, as amended by the Energy Policy Act of 2005 (EPACT 2005), requires that the Department of Energy (DOE) conduct a study for the Administrator of the Environmental Protection Agency (EPA) assessing whether the renewable fuel standard (RFS) would impose a "disproportionate economic hardship" on small refineries, This optional survey allows respondents to submit data that will provide technical support for a determination of disproportionate economic hardship. **Title 18 USC 1001 makes it a criminal offense for any person knowingly and willingly makes to any Agency or Department of the United States any false, fictitious, or fraudulent statements as to any matter within its jurisdiction.**

Part 1. RESPONDENT IDENTIFICATION DATA

ID NUMBER: ____________________

Company Name: ____________________

Doing Business as: ____________________

Site name: ____________________

Terminal Control Number: ____________________

Physical Address of Contact (e.g. Street Address, Building Number, Floor, Suite): ____________________

City: __________ State: __________ Zip: ______ - ______

Mailing Address of Contact (e.g., PO Box, RR): If the physical and mailing address are the same, only complete the physical address.

City: __________ State: __________ Zip: ______ - ______

Contact Name: ____________________

Phone No.: ____________________

Fax No.: ____________________

Email address: ____________________

Part 2. SUBMISSION/RESUBMISSION INFORMATION

If this is a resubmission, enter an "X" in the box: [ ]

A completed form must be received by July 17th, 2010.

Forms may be submitted using one of the following methods:

Email: 588@hq.doe.gov
Fax: (202) 586-1076

Secure File Transfer:
https://signon.eia.doe.gov/upload/noticeoog.jsp

Questions?	Call: 202 586 1393	Tom White
	202 586 1010	Pete Whitman

Part 3. Financial Health of the Refinery

Balance Sheet

		2007	2008	2009
3.01	What month did your fiscal year start in 2007,2008 and 2009?			
3.1	How much cash and marketable securities did you have at the end of the fiscal year 2007, 2008 and 2009?			
3.2	How much were your Current Liabilities at the end of fiscal year 2007,2008 and 2009?			
3.3	How much did you owe in long term debt at the end of fiscal year 2007, 2008 and 2009?			
	Statement of Income			
3.4	What were your yearly Capital Expenditures in 2007, 2008 and 2009?			
3.5	What were your yearly Operational Expenditures in the fiscal year 2007, 2008 and 2009?			
3.6	What was your Gross Refining Margin in dollars per barrel for the fiscal year 2007, 2008 and 2009?			
3.7	What was your Net Refining Margin in dollars per barrel in fiscal year 2007, 2008 and 2009?			

3.8 Are there any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship? Please provide comments below.

3.9 Are there any items on your Statement of Income that you judge to be noteworthy with regards to claiming disproportionate economic hardship? Please provide comments below.

	Cost of Capital			
3.10	What is your current Debt/Equity Ratio?			
3.11	What is your current Weighted Average Cost of Capital?			
3.12	What is your Internal Rate of Return (IRR) on projects?			
	If financing is required for future projects related to purchasing or holding RINs, estimate the cost (interest rate) of:			
3.13	Capital Expenditures			
3.14	Operational Expenditures			
3.15	Do you have a credit rating with a rating agency? YES or NO			
	If YES, provide:			
3.16	Name of rating agency			
3.17	Current credit rating			
3.18	If financing is required for future projects related to purchasing or holding RINs, are there any debt loan covenents that may pose restrictions on borrowing? Please specify below.			
3.19	Do you anticipate any cash flow or credit issues related to purchasing, separating, or holding RINs? Please specify below.			
	Previous Projects			
	What percent of Capital Expenditures over the last three years have been for:	2007	2008	2009
3.20	Environmentally required projects?			
3.21	Required safety projects?			
3.22	What percent of these projects were financed through internally generated cash flow?			
	Future Projects			
	Estimate the dollar value of capital expenditures on environmentally required projects do you plan to spend Capital Expenditures on over the next three years:	2011	2012	2013
3.23	Ultra Low sulfur diesel			
3.24	Low sulfur gasoline			
3.25	Control of Hazardous Air Pollutants From Mobile Sources (MSAT2)			
3.26	Consent Decree			
3.27	Other			
3.28	What percent of these projects will be financed through internally generated cash flow?			

	Part 4. Cost of RFS2 Compliance		
4.1	Do you currently own a facility capable of blending renewable fuels? YES or NO. If YES, answer the following questions:		
	Type of facility	Refinery Rack	Terminal
4.2	If you answered YES, state the average annual net input of gasoline blendstock (thousands of barrels per day).		
4.3	If you answered YES, state the average annual net input of diesel (thousands of barrels per day) .		
4.4	If you answered YES, please state the in-service date.		
4.5	If you answered YES, please estimate the cost of building the facility, in thousands of dollars.		
4.6	If you answered YES, please estimate the length of time it took to construct the facility. Use Comment section in 4.17 for additional space.		
	Estimate the dollar value of capital expenditures needed to change refinery operations to produce blendstock required for RFS2 compliance in 2011?		
4.7	Cost of modifying refinery operations.		
4.8	Cost of modifying terminal or rack blending operation.		
4.9	Cost to maintain RIN records, and/or purchase RINS. The RIN transaction cost (not the cost of RINS).		
4.10	Please estimate the length of time it will take to construct the facilities. Use Comment section in 4.17 for additional space.		
4.11	How many RINS did you separate through blending in 2009?		
	How much blendstock required for RFS2 compliance will you produce in 2011?		Volume (thousand barrels per day)
4.12	Gasoline		
4.13	Diesel		
	How does the introduction of renewable fuels into the transportation fuel mix change your competitive position?		
4.14	If the introduction of renewable fuels changes your competitive position, place X in box. Please provide reasons and comments below.		
4.15			
4.16	Please list any state or local regulations that may impede your ability to sell renewable fuels. Provide comments in text box below.		
4.17	Additional comment section for questions (4.1-4.10)		

Part 5. Market Share

	How much of the transportation fuel blendstock produced at your refinery could accept renewable fuels (i.e. ethanol, biomass diesel) and then be sold as a finished product in 2007, 2008, and 2009? Please indicate the quantity of:		2007	2008	2009
5.1	Gasoline				
5.2	Diesel				
	What is your share of supply in your primary market for retail gasoline sales? Please indicate your primary market, and your market share for the years 2007, 2008, and 2009. Provide a description in the comment section below (5.4).		2007	2008	2009
5.3	Market Share				
5.4					
	What is your share of supply in your primary market for retail diesel sales? Please indicate your primary market, and your market share for the years 2007, 2008, and 2009. Provide a description in the comment section below (5.6).		2007	2008	2009
5.5	Market Share				
5.6					
	Provide the RINS generated through sale of products via contractual agreements and the share of your gasoline and diesel blendstock sold through contractual agreements in 2009.			RINS	Share
5.7	Gasoline				
5.8	Diesel				
	What is your share of the market for sales to resellers? Please provide the share of volume sold in 2007, 2008, and 2009.		2007	2008	2009
5.9	Gasoline				
5.10	Diesel				
	What share of your product is sold into common carrier product pipelines? Please provide the share of volume sold in 2007, 2008, and 2009.		2007	2008	2009
5.11	Gasoline				
5.12	Diesel				
	What share of your product is sold through company owned retail outlets (include lessee-dealers) ? Please provide the share of volume sold in 2007, 2008, and 2009.		2007	2008	2009
5.13	Gasoline				
5.14	Diesel				
	If you own or control facilities listed below, please provide the following information for 2009:	Volume of Ethanol Blended **(thousand gallons per** day)	Volume of Petroleum Gasoline Blendstock shipments **(thousand barrels per** day)	Volume of Biomass Based Diesel Blended **(thousand gallons per** day)	Volume of Diesel shipments **(thousand barrels per** day)
5.15	Rack				
5.16	Terminal				
	For additional comments use the following comment section.				
5.17					

Figure D-3. PI-588 Survey Instructions

U.S. DEPARTMENT OF ENERGY
Policy and International Affairs
Washington, D.C. 20585

OMB No. xxx
Expiration Date: xxx
(Initial version 05/2010)

PI-588

RFS2 Small Refinery Survey 2010

INSTRUCTIONS

QUESTIONS

If you have any questions about the Small Refinery Exemption Survey after reading the instructions, please contact the Policy and International Affairs (PI) Survey Manager at (202) 586-1393 or at (202) 586-1010.

PURPOSE

The purpose of this survey is to collect information to assist in determining a small refinery's eligibility for exemption from the requirements of the RFS2 (CAA § 211(o))

WHO MUST SUBMIT

This survey is optional. Small refineries may submit data to provide technical support for a determination of disproportionate economic hardship. Each refinery should fill out a separate survey.

WHEN TO SUBMIT

This is a one-time data collection.

HOW TO SUBMIT

Instructions on how to report via facsimile, secure file transfer, or e-mail are printed on PART 2 of the survey form.

- Secure File Transfer: This form may be submitted to PI by facsimile, e-mail, or secure file transfer. Should you choose to submit your data via e-mail or facsimile, we must advise you that e-mail and facsimile are insecure means of transmission because the data are not encrypted, and there is some possibility that your data could be compromised. You can also send your Excel files to PI using a secure method of transmission: HTTPS. This is an industry standard method to send information over the web using secure, encrypted processes. (It is the same method that commercial companies use to communicate with customers when transacting business on the web.) To use this service, we recommend the use of Microsoft Internet Explorer 5.5 or later or Netscape 4.77 or later. Send your surveys using this secure method to: https://signon.eia.doe.gov/upload/noticeoog.jsp

COPIES OF SURVEY FORMS, INSTRUCTIONS AND DEFINITIONS

Copies in portable document format (PDF) and spreadsheet format (XLS) are available on the Office of Policy and International Affairs (PI's) website. You may access the materials by following the steps:

- Go to PI's website at www.pi.energy.gov

Files must be saved to your personal computer. Data cannot be entered interactively on the website.

GENERAL INSTRUCTIONS

All definitions are to be construed as consistent with the Energy Information Administration's Form EI-810, "Monthly Refinery Report," EIA-815, "Monthly Bulk Terminal and Blender Report," and EI-28, "Financial Reporting System," and other forms as appropriate.

Renewable Identification Numbers (RINs) are construed as defined by EPA here. Other definitions of petroleum products and terms are available on the EIA website www.eia.doe.gov . A Glossary of terms used in the EI-28 is also available, with additional terms here. Please refer to these definitions before completing the survey form.

PART 1. RESPONDENT IDENTIFICATION DATA

- Enter the 3 digit number you received with the survey form. If you do not have a number, submit your report leaving this field blank. PI will advise you of the number.
- Enter the name of the reporting company.
- Enter the Doing Business As "DBA" name if appropriate.
- Enter the refinery site name.
- Enter the Terminal Control Number (TCN) used for identification of terminals and other facilities in the IRS ExSTARS system.
- Enter the physical address of the reporting company.
- Enter the mailing address of the Contact. (Note: If the physical address and mailing address are the same, provide the information only for the physical address.)
- Enter the name, telephone number, facsimile number, and e-mail address of the person to contact concerning information shown on the report. The person listed should be the person most knowledgeable of the specific data reported.

PART 2. SUBMISSION/RESUBMISSION INFORMATION

Submission

Refer to "How to Submit" section for more details or methods for submitting data.

Resubmission

A resubmission is required whenever an error greater than

5 percent of the true value is discovered by a respondent or if requested by PI.

Enter "X" in the resubmission box if you are correcting information previously reported.

Identify only those data cells and lines which are affected by the changes. You are not required to file a complete form when you resubmit, but be sure to complete the ID number and contact information.

SPECIFIC INSTRUCTIONS

PART 3. FINANCIAL HEALTH OF THE REFINERY

Do not report the data elements in this Part if you are a public company and the data are publicly available. Note where to locate the data items you did not report in the comments.

Balance Sheet Items

All values in thousands of dollars unless otherwise stated.

Start of Fiscal Year (3.01). Report the month the fiscal year started in 2007, 2008, 2009.

Cash and marketable securities. (3.1) Report available cash and marketable securities at the end of the fiscal year 2007, 2008 and 2009.

Current liabilities (3.2) Report current liabilities, defined as debt or obligations (including long term debt interest) due within one year at the end of the fiscal year 2007, 2008 and 2009.

Long Term Debt (3.3) Report long term debt is defined as debt due over a horizon longer than one year at the end of the fiscal year 2007, 2008 and 2009.

Statement of Income

Report for fiscal year 2007, 2008 and 2009 unless otherwise stated.

All values in thousands of dollars unless otherwise stated.

Capital Expenditures (3.4). Report capital expenditures for the fiscal years 2007, 2008 and 2009.

Yearly operating expenditures (3.5). Report annual operational expenditures for the fiscal years 2007, 2008 and 2009.

Gross Refining Margin (dollars per barrel) (3.6) Report the difference between the revenue from the sale of petroleum products (e.g., motor gasoline) and the refinery acquisition cost of the raw materials (e.g., crude oil) used to produce the products.

Net Refinery Margin (dollars per barrel) (3.7) Report the difference between the gross refining margin and the costs of producing and selling the petroleum products (e.g., refining energy costs and selling costs). The net margin measures before-tax cash earnings from the production and sale of refined products. The net margin excludes peripheral activities such as non-petroleum product sales at convenience stores.

Comments on Balance Sheet (3.8). Report any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship.

Comments on Statement of Income (3.9). Report any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship.

Cost of Capital

All values in thousands of dollars unless otherwise stated

Current Debt/equity ratio (3.10): Report the current debt/equity ratio (fraction).

Current weighted average cost of capital (3.11). Report your weighted average cost of capital for capital expenditures (percent).

Internal Rate of Return (IRR): (3.12) Report the current required rate of return.

Anticipated cost of incremental capital (3.13). Report based on current market conditions, your weighted average cost of capital for anticipated capital expenditures (percent).

Anticipated cost of financing incremental operational expenditures. (3.14). Report based on current market conditions, your interest rate for anticipated incremental working capital (percent).

Credit rating (3.15). Report yes if the company has a credit rating by a NRSRO (e.g. Moody's).

Name of Credit Rating Company (3.16). Report the name of the credit rating company, if available.

Credit Rating (3.17). Report the rating, if available.

Debt restriction or covenants (3.18). If financing is required for future projects related to purchasing or holding RINS, **report** any debt loan covenants that may pose restrictions on borrowing.

Anticipated cash flow or credit issues (3.19): Report any anticipated cash flow or credit issues (such as loan covenants) that may present problems for compliance with the Renewable Fuel Standard (RFS) program

Historical Capital Improvements: Report percent of capital expenditures over last three years for

(3. 20) Required environmental projects

(3.21) Required Safety projects

Use of internal funds (3.22) for historical capital improvements. Report the percent of historical capital improvements in (3.20 – 3.21) funded through internal funds.

Future environmental projects: Report anticipated capital expenditures over next three years for:

(3.23) Low (and ultra-low) sulfur diesel

(3.24) Low sulfur gasoline

(3.25) MSAT2

(3.26) Consent decrees

(3.27) Other

Use of internal funds (3.28) for future capital improvements. Report the percent of anticipated capital improvements in (3.23 – 3.27) to be funded through internal funds.

Part 4. Market Compliance

All values in thousands of dollars unless otherwise stated.

Owned or controlled facilities (4.1). Report annual net inputs in thousands of barrels of fuel per day of owned facilities capable of blending renewable fuels. If there are multiple facilities, list names in the comment section (4.17)

(4.2) Total average daily gasoline blendstock (including GTAB, RBOB, and CBOB) net inputs in 2009 (thousands of barrels per day). (Note: I think you want net inputs – look at Table 3 of the Petroleum Supply Monthly)

(4.3) Total daily average diesel transportation fuels net inputs in 2009 (thousands of barrels per day). The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

(4.4) In-service dates.

(4.5) Total cost for all facilities.

(4.6) Report number of months needed to construct facility(s) to allow blending by project.

Capital expenditures required to develop blending capability. Report dollar value of facilities necessary to develop sufficient blending capability to meet the 2011 Renewable Volume Obligation listed below.

(4. 7) Modify refining operations

(4. 8) Modify terminal or blending operations

(4.9) Modify reporting and accounting operations to include RINS

(4.10) Estimate number of months needed to construct facility(s) to allow blending by project.

RINS generated through blending (4.11). Report number of RINS (in thousands) separated through blending renewable fuels in 2009.

Gasoline Blendstock produced. (4.12) Report total gasoline blendstock (thousands of barrels per day) anticipated to be produced in 2011.

Diesel Blendstock produced. (4.13) Report total diesel blendstock (thousands of barrels per day) anticipated to be produced in 2011

Competitive pricing (4.14) Report Yes if you believe that if your refinery blended renewable fuels, it would you be able to price the renewable fuels competitively with other conventional fuels in the market.

Comment on competitive price (4.15). Comment on ability for competitive pricing of renewable fuels (4.14) describe above.

State and local restrictions (4.16). Report any state or local restrictions that would impede either blending renewable fuels or maintaining ownership of the generated RINS.

Comment on multiple constructed facilities (4.17). **Report** any additional data on cost and construction time of facilities listed in (4.1 – 4.10).

Part 5. Market Issues

Gasoline Blendstock produced. (5.1) Report total gasoline blendstock (thousands of barrels per day) produced at your refinery that could accept renewable fuels (i.e. ethanol) in 2007, 2008, and 2009.

Diesel Blendstock produced. (5.2) Report total diesel blendstock (thousands of barrels per day) produced at your refinery that could accept renewable fuels in 2007, 2008, and 2009.

Share of supply for gasoline (5.3) Report your market share (in percent) of gasoline supplied in your primary market in 2007, 2008, and 2009.

Description of gasoline market (5.4) Define your primary market consistent with (5.3). Examples are a city, metropolitan area, or a maximum distance from the supply point.

Share of supply for diesel (5.5) Report your market share (in percent) of transportation diesel fuels supplied in your primary market in 2007, 2008, and 2009. The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

Description of diesel market (5.6) Define your primary market for diesel consistent with (5.5). Examples are a city, metropolitan area, or a maximum distance from the supply point.

Contractual arrangements (5.7) Report the number (in thousands of RINS) and share (percent) of (5.1) of any contracts in which you sell gasoline blendstock and retained the RINS separated 2009.

Contractual arrangements (5.8) Report the number (in thousands of RINS) and share (percent) of (5.2) of any contracts in which you sell diesel blendstock and retained the RINS separated in 2009

Sales for resale of gasoline (5.9) Report the share (percent of (5.1)) of sales to resellers in 2007, 2008, and 2009.

Sales for resale of transportation diesel (5.10) Report the share (percent of (5.2)) of sales to resellers of transportation diesel in 2007, 2008, and 2009. The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

Pipeline sales of gasoline (5.11) Report the volume (in thousands of barrels per day) and share (percent of (5.1)) of pipeline sales (sales where custody changes at the refinery gate or pipeline) through common carrier pipelines in 2007, 2008, and 2009.

Pipeline sales of diesel (5.12) Report the volume (in thousands of barrels per day) and share (percent of (5.1)) of pipeline sales (sales where custody changes at the refinery gate or pipeline) through common carrier pipelines in 2007, 2008, and 2009.

Retail sales of gasoline (5.13) Report the share (percent of (5.1)) of retail sales through your company-owned (including lessee-dealers) or operated retail outlets in 2007, 2008, and 2009.

Retail sales of diesel (5.14) Report the share (percent of (5.1)) of retail sales through your company-owned (including lessee-dealers) or operated retail outlets in 2007, 2008, and 2009.

For (5.15) and (5.16) ethanol and biodiesel are measured in thousands of gallons per day and gasoline blendstock and diesel are measured in thousands of barrels per day for 2009. Biomass-based diesel includes both biodiesel and renewable diesel

Owned or controlled facilities (refinery rack) (5.15) Report the volume of shipments from owned rack for ethanol, gasoline blendstock, biodiesel and total diesel for 2009. Note: For ethanol and biomass diesel, the form asks for volume blended. For Gasoline blendstock and diesel, the form asks for throughput)

Owned or controlled facilities (terminal) (5.16) Report the volume (in thousands of barrels) of shipments from owned rack for ethanol gasoline blendstock, biodiesel and total diesel for 2009.

Comments (5.17): Report any additional information for Part 5.

PROVISIONS REGARDING CONFIDENTIALITY OF INFORMATION

The information reported on this form will be protected and not disclosed to the public to the extent that it satisfies the criteria for exemption under the Freedom of Information Act (FOIA), 5 U.S.C. §552, the DOE regulations, 10 C.F.R. §1004.11, implementing the FOIA, and the Trade Secrets Act, 18 U.S.C. §1905.

The Federal Energy Administration Act requires the DOE to provide company-specific data to other Federal agencies when requested for official use. The information reported on this form may also be made available, upon request, to another component of the Department of Energy (DOE); to any Committee of Congress, the Government Accountability Office, or other Federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used for any nonstatistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

Disclosure limitation procedures are not applied to the statistical data published from this survey's information. Thus, there may be some statistics that are based on data from fewer than three respondents, or that are dominated by data from one or two large respondents. In these cases, it may be possible for a knowledgeable person to estimate the information reported by a specific respondent.

Company specific data are also provided to other DOE offices for the purpose of examining specific petroleum operations in the context of determining compliance costs with the RFS2 program.

The data collected on Form PI-588, "RFS2 Small Refinery Survey 2010" are used to report aggregate statistics on and conduct analyses of the operation of U.S. petroleum refineries.

FILING FORMS WITH THE FEDERAL GOVERNMENT AND ESTIMATED REPORTING BURDEN

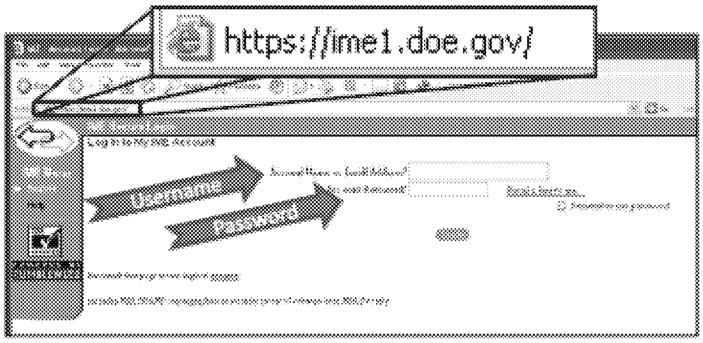
Respondents are not required to file or reply to any Federal collection of information unless it has a valid OMB control number. This is a one time survey. Public reporting burden for this collection of information is estimated to average 15 hours per response. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden to: Policy and International and Affairs, PI-42, 1000 Independence Avenue, S.W., Washington, D.C. 20585; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

Figure D-4. Survey Submit Instructions

IME Secure Server Form Submission Quick Start Guide

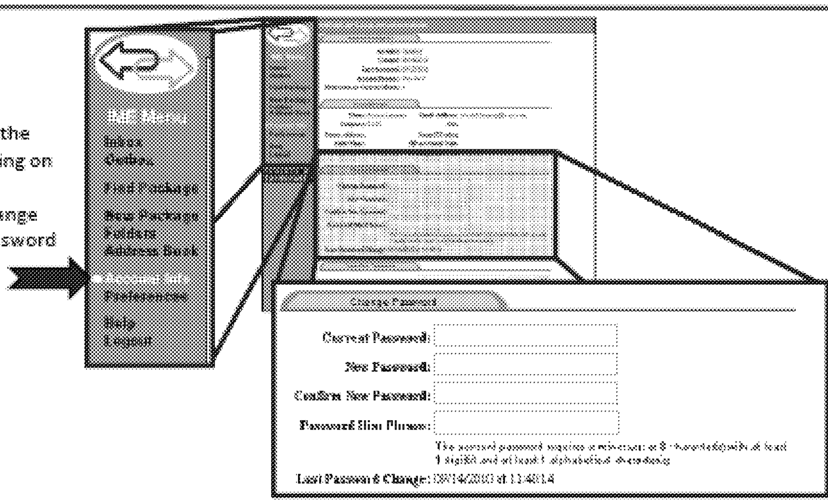
Log In

A username and default password will be assigned to you by the administrator. After the initial log-in you will need to change your password.



Change Password

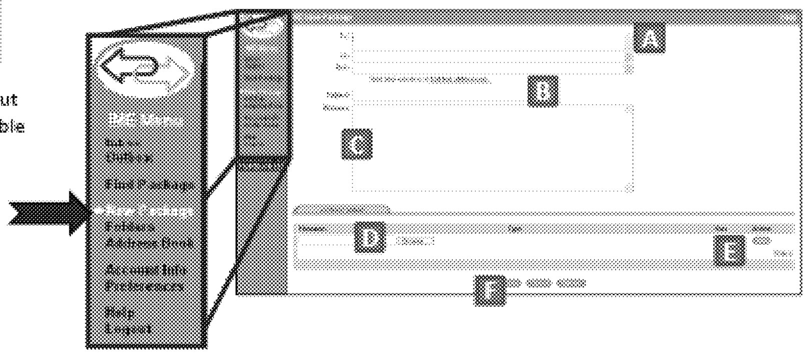
After logging in, navigate to the Account Info Screen by clicking on the Left Navigation Menu. There you will be able to change your password and set a Password Hint.



Submit Package

Similar to writing an email fill out the New Package page, accessible via the left navigation menu.

A. Enter the recipient of the package.
B. Add a Subject Line
C. Add a message if desired
D. Attach form by clicking Browse and selecting the location of the file
E. Click the Add Button to attach the completed form.
F. Click Send to send the form to the Department of Energy.



United States Senate

WASHINGTON, DC 20510

November 17, 2010

The Honorable Lisa Jackson
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Jackson,

We write to raise concerns regarding implementation of the renewable fuel standard (RFS) for small refineries. While the Department of Energy (DOE) is scheduled to complete an economic impact study this fall, we are concerned that there is the distinct possibility that the Department's study will not be completed by the end of the year. In that case, the Environmental Protection Agency (EPA) would be imposing the RFS on small refineries without the benefit of what we expect to be significantly superior data, presently being compiled by DOE, as directed under the FY 10 Energy and Water Appropriations bill. Therefore, we strongly urge you to work directly with DOE to ensure that your decision making incorporates this new data, as envisioned by Congress when it provided funding to revisit the flawed study.

As you know, EPACT exempts small refineries from RFS requirements out of concern for undue economic injury. The Environmental Protection Agency shared this same concern when they expanded the number and size of refineries eligible for this temporary exemption in the RFS rulemaking to include small business refiners. EPACT directed the Department of Energy to determine if the RFS would impose a hardship on small refineries prior to imposing regulation. With good information in hand, EPA could determine whether or not to extend the exemption.

In 2009, DOE issued a small refinery exemption study. Congress found the study to be incomplete in many essential respects and directed DOE to reopen and reassess the study. Under direction from Congress, DOE is now working on what is expected to be a robust small refinery study. It will review the financial health of the small refining sector, the cost of RFS compliance, and study unique market dynamics—all of which are fundamental to sound economic evaluation and essential in helping EPA make good regulatory decisions.

In early 2010, the RFS2 Preamble stated EPA knew that Congress (1) had disavowed the small refinery study, and (2) had directed DOE to reopen and revise the report. Despite this, we are concerned that EPA appears to be poised to rely on the flawed study and require small refineries to comply with the RFS by January 1, 2011. If the EPA moves forward with this decision without the final DOE report, it will be acting upon what Congress has determined to be a flawed study and would run counter to what Congress had envisioned under the Energy Policy Act of

2005. We believe this undermines the intent of that Act and leaves small refineries vulnerable to a mandate that has not fully been considered. It is reasonable and right for EPA to delay making small refineries subject to RFS requirements until (1) the DOE study is published and reviewed, (2) it concludes no disproportionate economic hardship exists, and (3) small refineries are given lead-time to comply with the new requirements.

EPA is authorized to grant an RFS extension to a refinery due to hardship on a case-by-case basis. EPACT provides two RFS protections to small refineries—a sector wide study as well as an individual option to petition EPA for regulatory relief. It is important to note, however, that EPA's case-by-case discretion was never intended to diminish, obviate, or replace the need for the sector wide study. The hardship exemption is a separate process than can rely on the distinct economic factors of an individual facility in evaluating the petition.

This issue is important to our local economies and we believe local jobs are dependent upon ensuring your decision is a well informed one. We seek your support to ensure that EPA will proactively work with DOE to ensure that the latest data will be incorporated in your decision making as envisioned by Congress before making a determination upon whether to extend the exemption. We thank EPA for considering these views and taking time to review this matter.

Sincerely,

John Barrasso

Senator John Barrasso, M.D.

Robert F. Bennett

Senator Robert F. Bennett

Michael B. Enzi

Senator Michael B. Enzi

Lisa Murkowski

Senator Lisa Murkowski

Orrin G. Hatch

Senator Orrin G. Hatch

Table 11. New, Shutdown and Reactivated Refineries During 2012

PAD District / Refinery	Location	Total Atmospheric Crude Oil Distillation Capacity (bbl/cd) [a]	Total Downstream Charge Capacity (bbl/sd) [b]	Date Operable	Date of Last Operation	Date Shutdown
REACTIVATED						
PAD District I		**185,000**	**366,700**			
Monroe Energy LLC [c]	Trainer, PA	185,000	366,700	09/12		
SHUTDOWN						
PAD District I		**80,000**	**47,000**			
ChevronUSA Inc	Perth Amboy, NJ	80,000	47,000		03/08	07/12
PAD District III		**16,800**	**19,500**			
Western Refining Southwest Inc	Bloomfield, NM	16,800	19,500		12/09	11/12
PAD District VI		**500,000**	**1,086,000**			
Hovensa LLC	Kingshill, VI	500,000	1,086,000		02/12	02/12

[a] bbl/cd=Barrels per calendar day.

[b] bbl/sd=Barrels per stream day.

[c] Formerly owned by ConocoPhillips Company.

Sources: Energy Information Administration (EIA) Form EIA-810, "Monthly Refinery Report" and Form EIA-820, "Annual Refinery Report."

Table 11. New, Shutdown and Reactivated Refineries During 2013

PAD District / Refinery	Location	Total Atmospheric Crude Oil Distillation Capacity (bbl/cd) [a]	Total Downstream Charge Capacity (bbl/sd) [b]	Date Operable	Date of Last Operation	Date Shutdown
SHUTDOWN						
PAD District I		0	115,000			
Hess Corporation	Port Reading, NJ	0	115,000		02/13	03/13

[a] bbl/cd=Barrels per calendar day.

[b] bbl/sd=Barrels per stream day.

Sources: Energy Information Administration (EIA) Form EIA-810, "Monthly Refinery Report" and Form EIA-820, "Annual Refinery Report."

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Citizen Information

Citizen/Originator: **Roberts, Pat**
Organization: United States Senate
Address: SH-109 Hart Senate Office Building, Washington, DC 20510

Moran, Jerry
Organization: United States Senate
Address: Russell Senate Office Building, Washington, DC 20510

Pompeo, Mike
Organization: House of Representatives
Address: 107 Cannon HOB, Washington, DC 20515

Constituent: N/A
Committee: N/A **Sub-Committee:** N/A

Control Information

Control Number:	AL-11-001-9828	**Alternate Number:**	N/A
Status:	Pending	**Closed Date:**	N/A
Due Date:	Dec 12, 2011	**# of Extensions:**	0
Letter Date:	Nov 21, 2011	**Received Date:**	Nov 28, 2011
Addressee:	AD-Administrator	**Addressee Org:**	EPA
Contact Type:	LTR (Letter)	**Priority Code:**	Normal
Signature:	AA-OAR-Assistant Administrator - OAR	**Signature Date:**	N/A

File Code: 404-141-02-01_141_a(1) Controlled and Major Corr. Record copy of of the offices of the EPA Administrator & other senior officals - Nonelectronic

Subject: REQUEST THAT EPA GRANT COFFEYVILL RESOURCES REFINING AND MARKETING (CRRM) A TEMPORARY WAIVER EXTENSION IN REGARD TO COMPLIANCE WITH THE RENEWABLE FUELS STANDARD (RFS2)

Instructions: CLO - The closing line of all letters should state the following: "Again, thank you for your letter. If you have further questions, please contact me or your staff may call (OCIR staff person) in EPA's Office of Congressional and Intergovernmental Relations at (insert OCIR contact's phone number)

Instruction Note: N/A
General Notes: N/A
CC: Patricia Haman - OCIR-CA-AT
R7 - Region 7 -- Immediate Office

Lead Information

Lead Author: N/A

Lead Assignments:

Assigner	Office	Assignee	Assigned Date	Due Date	Complete Date
Kathy Mims	OCIR	OAR	Nov 28, 2011	Dec 12, 2011	N/A
	Instruction: CLO - The closing line of all letters should state the following: "Again, thank you for your letter. If you have further questions, please contact me or your staff may call (OCIR staff person) in EPA's Office of Congressional and Intergovernmental Relations at (insert OCIR contact's phone number)				
Martha Faulkner	OAR	OAR-OTAQ	Nov 28, 2011	Dec 7, 2011	N/A
	Instruction: OAR - Prepare response for the signature of Gina McCarthy, Assistant Administrator for the Office of Air and Radiation (OAR).				
Tanya Meekins	OAR-OTAQ	OAR-OTAQ-CD	Nov 28, 2011	Dec 5, 2011	N/A
	Instruction: N/A				

Supporting Information

Supporting Author: N/A

Supporting Assignments:

Assigner	Office	Assignee	Assigned Date
No Record Found.			

History

Action By	Office	Action	Date
Kathy Mims	OCIR	Assign OAR as lead office	Nov 28, 2011
Martha Faulkner	OAR	Accepted the group assignment	Nov 28, 2011
Martha Faulkner	OAR	Assign OAR-OTAQ as lead office	Nov 28, 2011
Tanya Meekins	OAR-OTAQ	Accepted the group assignment	Nov 28, 2011
Tanya Meekins	OAR-OTAQ	Assign OAR-OTAQ-CD as lead office	Nov 28, 2011

Comments

Commentator	Comment	Date
No Record Found.		

PAT ROBERTS
KANSAS

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RULES

November 21, 2011

The Honorable Lisa Jackson
Administrator
Environmental Protection Agency
1200 Pennsylvania Ave, NW
Washington, D.C. 20460

Dear Administrator Jackson,

We respectfully request that the Environmental Protection Agency (EPA) grant Coffeyville Resources Refining and Marketing (CRRM) a temporary waiver extension in regard to compliance with the Renewable Fuel Standard (RFS2). We are concerned the EPA did not thoroughly consider CRRM's original waiver request and believe that on closer examination the agency will find sufficient evidence to justify the waiver. Failure to grant a waiver to CRRM could cause irreparable economic damage to this important Kansas employer.

Based on CRRM's business model and a March 2011 EPA report assessing the impact of the RFS2 on small refineries, it appears CRRM is one of the very few, if not only, remaining small refiners not categorically exempted as defined by 40 C.F.R. § 80.1401. Unlike many other refiners, CRRM does not have distribution and retail marketing outlets necessary for blending fuels to generate Renewable Identification Numbers (RINs), except for a small amount of fuel at its refinery distribution terminal in Coffeyville, Kansas. This distribution terminal's capabilities are limited to serving the local area. Without a waiver it is estimated CRRM would be required to purchase $20 million worth of RIN's in 2011 and close to $40 million in 2012 to comply with the RFS2. This puts CRRM at an unfair competitive disadvantage to other similarly situated refiners.

Again, we believe granting CRRM a temporary waiver is reasonable when considering its size and lack of access to distribution and retail marketing outlets. Thank you again for your consideration and we look forward to hearing from you soon.

Sincerely,

Pat Roberts

Senator Pat Roberts (R-KS)

Jerry Moran

Senator Jerry Moran (R-KS)

Mike R. Pompeo

Congressman Mike Pompeo (KS-4)

PAT ROBERTS
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ETHICS
RULES

CC: Margo Oge
Carl Simon

volume of renewable fuels required, merely on the number of obligated parties. We invite comment on the proposal to exclude renewable fuels in the volume of gasoline subject to the renewable fuels obligation. As discussed earlier, in a similar manner this volume of renewable fuel would also be excluded from the calculation performed each year by EPA to determine the applicable percentage.

2. Who Is Required To Meet the Renewable Fuels Obligation?

Under the proposed rule, persons who meet the definition of refiner, which includes blenders who produce gasoline by combining blendstocks or blending blendstocks into finished gasoline, and persons who meet the definition of importer under the fuels regulations would be subject to the renewable fuel obligation. As noted above, blenders who only blend renewable fuels downstream from the refinery or importer would not be subject to the renewable fuel obligation. Any person that is required to meet the renewable fuels obligation is called an "obligated party." We generally refer to all of the obligated parties as refiners and importers, as the covered blenders are all refiners under the regulations.

A refiner or importer located in a noncontiguous state or U.S. territory would not be subject to the renewable fuel obligation and thus would not be an obligated party (unless the noncontiguous state or territory opts-in to the RFS program). A party located within the contiguous 48 states that "imports" into the 48 states gasoline produced or imported by a refiner or importer located in a noncontiguous state or territory would be an obligated party and must meet the renewable fuel obligation for such gasoline.

3. What Exemptions Are Available Under The RFS Program?

a. *Small Refinery and Small Refiner Exemption.* The Act provides an exemption from the RFS standard for small refineries during the first five years of the program. The Act defines small refinery as "a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels." [24] Under the proposed rule, any gasoline produced at a refinery that qualifies as a small refinery under this definition is not counted in determining the renewable fuel obligation of a refiner until January 1, 2011. Where a refiner complies with the renewable fuel obligation on an aggregate basis for multiple refineries, the refiner may exclude from its compliance calculations gasoline produced at any refinery that qualifies as a small refinery under the RFS program. Beginning in 2011, small refineries would be required to meet the same renewable fuel obligation as all other refineries. This exemption would apply to any refinery that meets the definition of small refinery stated above regardless of the size of the refining company that owns the refinery. Based on information currently available to us we expect 42 small refineries to qualify for this exemption.

In addition to small refineries as defined in the Act, we are proposing to extend this relief to refiners who meet the proposed criteria for small refiner status. Under the proposal, a small refiner is defined as any refiner who, during 2004: (1) Produces gasoline at a refinery by processing crude oil through refinery processing units; (2) employs an average of no more than 1,500 people, including all employees of the small refiner, any parent company and its subsidiary companies; and (3) has a total crude oil processing capability for all of the small refiner's refineries of 155,000 barrels per calendar year (bpcd). These size requirements were established in prior rulemakings and were the result of our analysis of small refiner impacts. We do not believe that there are more than three gasoline refineries owned by small refiners that meet these criteria and that currently exceed the 75,000 bpcd crude oil processing capability defined by the Act. We request comment on whether a refiner who has a refinery which exceeds the 75,000 bpcd criteria should be eligible to apply for a small refiner exemption under the RFS program. EPA believes it has this discretion in determining an appropriate lead-time for the start-up of this program, as well as discretion to determine the regulated refiners, blenders and importers, "as appropriate."

We are also proposing to allow foreign refiners to apply for a small refinery or small refiner exemption under the RFS program. This would apply to foreign refiners that apply for refineries under the 75,000 bpcd criteria or foreign refiners that apply for small refiner status. Under the anti-dumping, MSAT and gasoline sulfur rules, foreign refiners are allowed to comply with certain regulations separately from any importer. Additional requirements applicable to such foreign refiners are included in these rules to ensure that enforcement of the regulations at the foreign refinery would not be compromised. We are proposing similar enforcement-related requirements that would apply to foreign refiners that apply for a small refinery or small refiner exemption. Under the existing fuels regulations, few foreign refiners have chosen to undertake these additional requirements, and almost all gasoline produced at foreign refineries is included in the importers' compliance determinations. We invite comment on the value of extending the small refinery and small refiner exemptions to foreign refiners under the RFS program.

Under the proposed rule, applications for a small refinery exemption must be received by EPA by September 1, 2007 for the exemption to be effective in 2007 and subsequent calendar years. The application must include documentation that the small refinery's average aggregate daily crude oil throughput for calendar year 2004 did not exceed 75,000 barrels. As long as the refinery met the criteria in 2004, it would have the exemption through 2010 regardless of changes in crude throughput or ownership. A small refinery exemption would be effective 60 days after receipt of the application by EPA unless EPA notifies the applicant that the application was not approved or that additional documentation is required. We are proposing to base eligibility on 2004 data rather than on 2005 data, since it was the first full year prior to passage of the Energy Act. In addition, some refineries' production may have been affected by Hurricane Katrina in 2005. We request comment on whether multiple-year average should be the basis for eligibility.

As discussed above, refiners that do not qualify for a small refinery exemption under the 75,000 bpcd criteria, but nevertheless meet the criteria of a small refiner may apply for small refiner status under the RFS rule. The application must be received by EPA by September 1, 2007 for the exemption to be effective in 2007 and subsequent calendar years. Like the exemption for small refineries, small refiner status would be determined based on documentation submitted in the application which demonstrates that the refiner met the criteria for small refiner status during the calendar year 2004. EPA will notify the refiner of approval or disapproval of small refiner status by letter. Unlike the case for small refineries, refiners that receive approved small refiner status and subsequently do not meet all of the criteria for small

[24] CAA Section 211(o)(a)(9), as added by Section 1501(a) of the Energy Policy Act of 2005.

refiner status (i.e., cease producing gasoline from processing crude oil, employ more than 1,500 people or exceed the 155,000 bpcd crude oil capacity limit) as a result of a merger with or acquisition of or by another entity, are disqualified as small refiners, except in the case of a merger between two previously approved small refiners. As in other EPA programs, where such disqualification occurs, the refiner must notify EPA in writing no later than 20 days following the disqualifying event.

The Act provides that the Secretary of Energy must conduct a study for EPA to determine whether compliance with the renewable fuels requirement would impose a disproportionate economic hardship on small refineries. If the study finds that compliance with the renewable fuels requirements would impose a disproportionate economic hardship on a particular small refinery, EPA is required to extend the small refinery's exemption for a period of not less than two additional years. The Act also provides that a refiner with a small refinery may at any time petition EPA for an extension of the exemption for the reason of disproportionate economic hardship. In accordance with these provisions of the Act, the proposed rule includes a process by which refiners with small refineries may petition EPA for an extension of the small refinery exemption. As provided in the Act, the proposed rule would require EPA to act on the petition not later than 90 days after the date of receipt of the petition.

During the initial exemption period and any extended exemption periods, the gasoline produced by small refineries and refineries owned by approved small refiners would be subject to the renewable fuel standard.

Under the proposed rule, the automatic five year exemption for small refineries, and any extended exemptions, may be waived upon notification to EPA. In waiving its exemption, gasoline produced at a small refinery would be included in the RFS program and would be included in the gasoline used to determine a refiner's renewable fuel obligation. If a refiner waives the exemption for their small refinery or their exemption as a small refiner, the refiner would be able to separate and transfer RINs like any other obligated party. If a refiner does not waive the exemption, the refiner could still separate and transfer RINs, but only for the renewable fuel that the refiner itself blends into gasoline (i.e. the refiner operates as an oxygenate blender).

b. *General Hardship Exemption.* In recent rulemakings, we have included a general hardship exemption for parties that could demonstrate severe economic hardship in complying with the standard. We are proposing not to include in the RFS program provisions for a general hardship exemption. Unlike most other fuels programs, the RFS program includes inherent flexibility since compliance with the renewable fuels standard is based on a nationwide trading program, without any per gallon requirements, and without any requirement that the refiner or importer produce the renewable fuel. By purchasing RINs, obligated parties would be able to fulfill their renewable fuel obligation without having to make capital investments that may otherwise be necessary in order to blend renewable fuels into gasoline. We believe that sufficient RINs would be available and at reasonable prices, given that EIA projects that far greater renewable fuels will be used than required. Given the flexibility provided in the RIN trading program, including the provisions for deficit carry-over, and the fact that the standard is proportional to the volume of gasoline actually produced, we believe that there likely would be no need for a general hardship exemption. We request comment on whether there is a need to include a general hardship exemption in the RFS program.

c. *Temporary Exemption Based On Unforeseen Circumstances.* In recent rulemakings, we have also included a temporary exemption based on unforeseen circumstances. We are proposing not to include such an exemption in the RFS program. The need for such an exemption would primarily be based on the inability to comply with the renewable fuels standard due to a natural disaster, such as a hurricane. However, in the event of a natural disaster, we believe that the volume of gasoline produced by an obligated party would also drop, which would result in a reduction in the renewable fuel requirement. We believe, therefore, that unforeseen circumstances, such as a hurricane or other natural disaster, would not result in a party's inability to obtain sufficient RINs to comply with the applicable renewable fuels standard. We request comment on whether there would be a need to include a temporary exemption based on unforeseen circumstances, and, in particular, circumstances that may affect ethanol producers.

4. What Are the Opt-In and State Waiver Provisions Under the RFS Program?

a. *Opt-in Provisions for Noncontiguous States and Territories.* The Act provides that, upon the petition of a noncontiguous state or U.S. territory, EPA may apply the renewable fuels requirements to gasoline produced in or imported into that noncontiguous state or U.S. territory at the same time as, or any time after the effective date of the RFS program.[25] In granting such a petition, EPA may issue or revise the RFS regulations, establish applicable volume percentages, provide for generation of credits, and take other actions as necessary to allow for the application of the RFS program in a noncontiguous state or territory.

Today's proposed rule would implement this provision of the Act by providing a process wherein the governor of a noncontiguous state or territory may petition EPA to have the state or territory included in the RFS program. However, we believe that approval of the petition would not require a showing other than a request to be included in the program. The petition must be received by EPA on or before October 31 for the noncontiguous state or territory to be included in the RFS program in the next calendar year. A noncontiguous state or territory for which a petition is received after October 31 would not be included in the RFS program in the next calendar year, but would be included in the RFS program in the following year. For example, if EPA receives a petition on September 1, 2007, the noncontiguous state or territory would be included in the RFS program beginning on January 1, 2008. If EPA receives a petition on December 1, 2007, the noncontiguous state or territory would be included in the RFS program beginning January 1, 2009. We believe that requiring petitions to be received by October 31 would be necessary to allow EPA time to make any adjustments in applicable standard. The method for recalculating the renewable fuels standard to reflect the addition of a state or territory that has opted into the RFS program is discussed in Section III.A.

Where a noncontiguous state or territory opts-in to the RFS program, producers and importers of gasoline for that state or territory would be obligated parties subject to the renewable fuel requirements. All refiners, blenders and importers who produce or import gasoline for use in a state or territory that has opted-in to the RFS program would be required to count this volume of gasoline in determining their renewable fuel obligation, and would be able to separate RINs from batches of renewable fuels used in gasoline that is sold or introduced into commerce in the

[25] CAA Section 211(o)(2)(A)(ii), as added by Section 1501(a) of the Energy Policy Act of 2005.

specified in the regulations at § 80.1142), except the letter will not be due prior to the program. Small refiner status verification letters for this rule that are later found to contain false or inaccurate information will be void as of the effective date of these regulations. Unlike the case for small refineries, small refiners who subsequently do not meet all of the criteria for small refiner status (i.e., cease producing gasoline by processing crude oil, employ more than 1,500 people or exceed the 155,000 bpcd crude oil capacity limit) as a result of a merger with or acquisition of or by another entity are disqualified as small refiners, except in the case of a merger between two previously approved small refiners. As in other EPA programs, where such disqualification occurs, the refiner must notify EPA in writing no later than 20 days following the disqualifying event.

The Act provides that the Secretary of Energy must conduct a study for EPA to determine whether compliance with the renewable fuels requirement would impose a disproportionate economic hardship on small refineries. If the study finds that compliance with the renewable fuels requirements would impose a disproportionate economic hardship on a particular small refinery, EPA is required to extend the small refinery's exemption for a period of not less than two additional years (i.e., to 2013). The Act also provides that a refiner with a small refinery may at any time petition EPA for an extension of the exemption for the reason of disproportionate economic hardship. In accordance with these provisions of the Act, we are finalizing the provision that refiners with small refineries may petition EPA for an extension of the small refinery exemption. As provided in the Act, EPA will act on the petition not later than 90 days after the date of receipt of the petition. Today's regulations do not provide a comparable opportunity for an extension of the small refinery exemption for small refiners. Therefore, all parties temporarily exempted from the RFS program on the basis of qualifying as a small refiner, rather than a small refinery, must comply with the program beginning January 1, 2011 (unless they waive their exemption prior to this date).

During the initial exemption period for small refineries and small refiners and any extended exemption periods for small refineries, the gasoline produced by exempted small refineries and refineries owned by approved small refiners will not be subject to the renewable fuel standard.

We proposed that the automatic exemption to 2011 and any small refinery extended exemptions may be waived upon notification to EPA; and we are finalizing this provision. Gasoline produced at a refinery which waives its exemption will be included in the RFS program and will be included in the gasoline used to determine the refiner's renewable fuel obligation. If a refiner waives the exemption for its small refinery or its exemption as a small refiner, the refiner will be able to separate and transfer RINs like any other obligated party. If a refiner does not waive the exemption, the refiner could still separate and transfer RINs, but only for the renewable fuel that the refiner itself blends into gasoline (i.e. the refinery operates as an oxygenate blender facility). Thus, exempt small refineries and small refiners who blend ethanol can separate RINs from batches without opting in to the program in the same manner that an oxygenate blender is allowed to do.

b. General Hardship Exemption

In recent rulemakings, we have included a general hardship exemption for parties that are able to demonstrate severe economic hardship in complying with the standard. We proposed not to include provisions for a general hardship exemption in the RFS program. Unlike most other fuels programs, the RFS program includes inherent flexibility since compliance with the renewable fuels standard is based on a nationwide trading program, without any per gallon requirements, and without any requirement that the refiner or importer produce the renewable fuel. By purchasing RINs, obligated parties will be able to fulfill their renewable fuel obligation without having to make capital investments that may otherwise be necessary in order to blend renewable fuels into gasoline. We believe that sufficient RINs will be available and at reasonable prices, given that EIA projects that far greater renewable fuels will be used than required. Given the flexibility provided in the RIN trading program, including the provisions for deficit carry-over, and the fact that the standard is proportional to the volume of gasoline actually produced or imported, we continue to believe a general hardship exemption is not warranted. As a result, the final rule does not contain provisions for a general hardship exemption.

c. Temporary Hardship Exemption Based on Unforeseen Circumstances

In recent rulemakings, we have included a temporary hardship exemption based on unforeseen circumstances. We proposed not to include such an exemption in the RFS program. The need for such an exemption would primarily be based on the inability to comply with the renewable fuels standard due to a natural disaster, such as a hurricane. However, in the event of a natural disaster, we believe it is likely that the volume of gasoline produced by an obligated party would also drop, which would result in a reduction in the renewable fuel requirement. We, therefore, reasoned in the NPRM that unforeseen circumstances, such as a hurricane or other natural disaster, would not result in a party's inability to obtain sufficient RINs to comply with the applicable renewable fuels standard.

We received several comments regarding the inclusion of a temporary hardship exemption based on unforeseen circumstances. One commenter believes it would be of value to have a mechanism for selectively waiving or modifying the RFS downward on a temporary basis in the event of unforeseen circumstances such as significant drought affecting potential crop production. The commenter believes that crop shortages could have an impact on a national level, or a major disaster may impact logistics of renewable fuel distribution regionally, necessitating a more rapid response from EPA than is provided in the Energy Act. Another commenter believes that a temporary hardship exemption based on unforeseen circumstances should be included in the rule since it is impossible to predict how the RFS program will impact small refiners. Another commenter believes that, given the variety of potentially challenging unforeseen events during the last several years, it is not inconceivable that man-made or natural circumstances could adversely impact the RFS program. A natural disaster in the agricultural section, for example, may make it difficult to meet the renewable fuels mandate which, in turn, could drive the price of RINs high enough to disrupt the gasoline market. The commenter believes that a mechanism built into the program from the outset would provide a more flexible and less disruptive way to address unforeseen circumstances than the more time-consuming waiver process provided in the Energy Act.

Under other EPA fuels programs, compliance is based on a demonstration that the fuel meets certain component or emissions standards. Unforeseen circumstances, such as a natural disaster, may affect an individual refiner's or importer's ability to produce or import fuel that complies with the

Question from the Chairman of the House Energy and Water Appropriations Subcommittee.

Q: What is DOE's role in informing EPA's adjudication of petitions for small refiners to be exempted from the Renewable Fuels Standard on the basis of economic hardship?

Deliberative Process / Ex. 5

Addendum

to the

Small Refinery Exemption Study

An Investigation into

Disproportionate Economic Hardship

Office of Energy Policy and Systems Analysis

U.S. Department of Energy

May 2014

Assessing Small Refineries' Disproportionate Economic Hardship from the RFS Program

Under Section 7545(o)(9)(A)(ii)(I) of the Clean Air Act, the US DOE conducted a study to determine whether compliance with the RFS requirements would impose a disproportionate economic hardship on small refineries. [1] In the 2011 study, DOE developed a scoring matrix to assess the degree to which compliance with the RFS would impair individual small refineries. The matrix comprised two major indices: (1) a structural and economic weightings index and (2) a viability index. The structural and economic weightings index was composed of eight equally weighted structural and economic metrics. Seven of the eight metrics were scored a 0, 5 or 10, and one metric ("other business lines besides refining and marketing") was scored a 0 or 10. Higher scores reflected greater likelihood of disproportionate economic hardship. Similarly, the viability index comprised three equally weighted metrics. In the 2011 study, each viability metric was scored either a 0 or a 10. Scores for each index were averaged, and then divided by two. A waiver extension due to disproportionate economic hardship was recommended if a refinery scored greater than one for both the structural and economic weightings and the viability indices. All of the individual metrics are described in the 2011 Study.

For the 2011 DOE exemption study, the economic recession and the relative recent implementation of the RFS2 regulations resulted in a number of individual small refineries receiving individual viability metric scores of 10, and scores greater than one for the viability index as a whole. However, circumstances have changed since the 2011 study was completed. Generally, there is an improved business climate for refineries that is associated with the country's economic recovery. In addition, refiners have now had many years since the initiation of the RFS program in 2007 to develop business practices to meet RFS obligations. [2] In assisting EPA in evaluating petitions for small refinery RFS exemptions for 2013, DOE has found that some small refineries should be scored an intermediate level of 5 for metric 3a. This intermediate score acknowledges an impact of RFS compliance costs on efficiency gains, but at a level lower than would justify a score of 10. DOE also has concluded that an intermediate score of 5 may be appropriate for viability metric 3b in certain circumstances. Both of these viability metrics address impacts that may occur across a continuum, and providing for the possibility of an intermediate score allows DOE to more accurately assess an individual refinery's economic situation. This is unlike viability metric 3c which involves essentially a binary determination – whether or not RFS compliance costs would likely lead to a facility shut-down. For viability metric 3c, therefore, DOE continues to believe that it is appropriate to limit scores to either a 0 or 10.

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[1] "Small Refinery Exemption Study: An Investigation into Disproportionate Economic Hardship", March 2011.

[2] As the market for renewable fuels matures, obligated parties have developed a much wider suite of physical and contractual arrangements to meet their RFS mandates. In general, small refineries with an RFS exemption have a competitive advantage over the others. This advantage can be enhanced in situations where an exempt party separates some attached RINs through blending renewable fuels, and sells those RINs to improve profitability. A firm's competitive advantage during an exemption period, and any profits from RIN sales during an exemption period, could lead to lower scores in subsequent evaluations of disproportionate economic impact.

The result of allowing intermediate scoring for viability metrics 3a and 3b is that a facility with only a moderate score of 5 in a single viability metric will not have a total viability index score indicating disproportionate economic hardship. On the other hand, a moderate score under both metrics 3a and 3b will be sufficient to generate a viability score indicating the existence of disproportionate economic hardship. [3] DOE has determined that it is appropriate that a moderate score in two viability metrics would result in a total viability index score greater than 1. This reflects the real-world situation where different factors may combine to produce disproportionate economic hardship. In this regard, however, DOE notes that these are two distinct metrics: where DOE determines an intermediate score of 5 under metric 3b on the basis of an individual special event, that same event will not necessarily lead to an intermediate or higher score for viability metric 3a ("RFS compliance costs eliminates efficiency gains").

[3] The facility must also score a 1 or higher in the structural and economic weightings index.

$$\frac{\text{TP's non-firm, point-to-point, "all hours" transmission rate}}{\text{47.49 percent (the percentage of FERC-defined on-peak hours).}}$$

Off-peak, hourly, non-firm, point-to-point transmission rate:

$$\frac{\text{TP's non-firm, point-to-point, "all hours" transmission rate}}{\text{52.51 percent (the percentage of FERC-defined off-peak hours).}}$$

The converted rates resulting from using this formula will be posted on the applicable TP's Web site and on the OASIS and will be used for applicable WestConnect Regional Non-Firm Point-to-Point Transmission Service transactions only.

[FR Doc. 2014–11026 Filed 5–12–14; 8:45 am]

BILLING CODE 6450–01–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OAR–2012–0546; FRL–9910–79–OAR]

Contractor Access to Information Claimed as Confidential Business Information Submitted Under Title II of the Clean Air Act and Related to the Renewable Fuel Standard Program

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA)'s Office of Transportation and Air Quality plans to authorize a contractor to access information which has been and will be submitted to the EPA under Title II of the Clean Air Act and that may be claimed as, or may be determined to be, confidential business information. Such information is related to small refinery exemptions under the Renewable Fuel Standard program.

DATES: The EPA will accept comments on this notice through May 19, 2014.

FOR FURTHER INFORMATION CONTACT: Mary Manners, Environmental Protection Agency, Office of Transportation and Air Quality, Compliance Division; 2000 Traverwood, Ann Arbor, Michigan, 48105; telephone number: 734–214–4873; fax number: 734–214–4053; email address: *manners.mary@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Does this notice apply to me?

This action is directed to the general public. However, this action may be of particular interest to parties who submit or have previously submitted a small refinery exemption petition to the EPA under the Renewable Fuel Standard (RFS) program as described in 40 CFR part 80, Subpart M. If you have further questions regarding the applicability of this action to a particular party, please contact the person listed in **FOR FURTHER INFORMATION CONTACT**.

II. How can I get copies of this document and other related information?

A. Electronically

The EPA has established a public docket for this **Federal Register** notice under Docket EPA–HQ–OAR–2012–0546.

All documents in the docket are identified in the docket index available at *http://www.regulations.gov.* Although listed in the index, some information is not publicly available, such as confidential business information (CBI) or other information for which disclosure is restricted by statute. Certain materials, such as copyrighted material, will only be available in hard copy at the EPA Docket Center.

B. EPA Docket Center

Materials listed under Docket EPA–HQ–OAR–2012–0546 will be available either electronically through *http://www.regulations.gov* or in hard copy at the Air and Radiation Docket and Information Center, EPA/DC, EPA West, Room 3334, 1301 Constitution Avenue NW., Washington, DC 20460. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566–1744, and the telephone number for the Air Docket is (202) 566–1742.

III. Description of Program and Potential Disclosure of Information Claimed as CBI to Contractors

The RFS program as established by the Energy Policy Act of 2005 and amended by the Energy Independence and Security Act of 2007 exempted small refineries from the renewable fuel standards through December 31, 2010. After this initial period, the statute allows that small refineries may, on a case-by-case basis, petition the EPA for an extension of their exemption. The EPA may approve such petitions if it finds that disproportionate economic hardship exists. The EPA continues to implement these provisions. In evaluating such petitions, the EPA must consult with the Department of Energy (DOE), and must consider the findings of the DOE study required under CAA 211(o)(9)(A)(ii)(I) and other economic factors. Historically, companies seeking a small refinery exemption have claimed their petitions to be CBI. Information submitted under such a claim is handled in accordance with the EPA's regulations at 40 CFR part 2, subpart B and in accordance with EPA procedures, including comprehensive system security plans (SSPs) that are consistent with those regulations. When the EPA has determined that disclosure of information claimed as CBI to contractors is necessary, the corresponding contract must address the appropriate use and handling of the information by the contractor and the contractor must require its personnel who require access to information claimed as CBI to sign written non-disclosure agreements before they are granted access to data.

In accordance with 40 CFR 2.301(h), we have determined that the contractor listed below requires access to CBI submitted to the EPA under the Clean Air Act and in connection with the RFS program (40 CFR part 80, Subpart M). We are issuing this **Federal Register** notice to inform all affected submitters of information that we plan to grant access to material that may be claimed as CBI to the contractors identified below on a need-to-know basis.

Under DOE Contract Number DE–BP0003293, Stillwater Associates, 3 Rainstar, Irvine, California 92614, has provided and will continue to provide technical support that involves access to information claimed as CBI related to 40 CFR Part 80, Subpart M. Access to data, including information claimed as CBI, will commence immediately upon publication of this notice in the **Federal Register** and will continue indefinitely as the Agency expects to receive additional petitions for small refinery exemptions for future annual program compliance periods. If the contract is extended, this access will continue for the remainder of the contract without further notice.

Parties who wish further information about this **Federal Register** notice or about OTAQ's disclosure of information claimed as CBI to contactors may contact the person listed under **FOR FURTHER INFORMATION CONTACT.**

List of Subjects

Environmental protection; Confidential business information.

Dated: May 6, 2014.

Byron J. Bunker,

Director, Compliance Division, Office of Transportation and Air Quality, Office of Air and Radiation.

[FR Doc. 2014–10953 Filed 5–12–14; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OW–2014–0135; FRL_9910–81–OW]

Updated National Recommended Water Quality Criteria for the Protection of Human Health

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Availability.

SUMMARY: EPA is announcing the availability of draft updated national recommended water quality criteria for the protection of human health for the purpose of obtaining public comments. EPA has updated its national recommended water quality criteria for human health for ninety-four chemical pollutants to reflect the latest scientific information and current EPA policies. This draft update is based on EPA's current methodology for deriving human health criteria as described in "Methodology for Deriving Ambient Water Quality Criteria for the Protection of Human Health (2000)" and does not establish new policy. EPA's recommended water quality criteria provide technical information for States and authorized Tribes to establish water quality standards under the Clean Water Act to protect human health.

DATES: The public comment period begins on May 13, 2014 and ends on July 14, 2014. Technical comments should be submitted to the public EPA docket by July 14, 2014.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–HQ–OW–2014–0135, by one of the following methods:

- *www.regulations.gov:* Follow the on-line instructions for submitting comments.
- *Mail:* Water Docket, Environmental Protection Agency, 28221T, 1200 Pennsylvania Ave., NW., Washington, DC 20460. Attention Docket ID No. EPA–HQ–OW–2014–0135.
- *Hand Delivery:* Water Docket, EPA Docket Center, EPA WJC West Building Room 3334, 1301 Constitution Ave. NW., Washington, DC, 20004, Attention Docket EPA–HQ–OW–2014–0135. Deliveries to the docket are accepted only during their normal hours of operation: 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. For access to docket materials, call (202) 566–2426, to schedule an appointment.
- *Email: ow-docket@epa.gov;* Attention Docket No. EPA–HQ–OW–2014–0135. To ensure that EPA can properly respond to comments, commenters should cite the section(s) or chemical(s) in draft updates to which each comment refers. Commenters should use a separate paragraph for each issue discussed, and must submit any references cited in their comments. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment. Electronic files should avoid any form of encryption and should be free of any defects or viruses.

Instructions: Direct your comments to Docket ID No. EPA–HQ–OW–2014–0135. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through www.regulations.gov. The www.regulations.gov Web site is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to EPA without going through www.regulations.gov your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: All documents in the docket are listed in the *www.regulations.gov* index. Although listed in the index, some information is not publicly available, e.g., CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, will be publicly available only in hard copy. Publicly available docket materials are available either electronically in *www.regulations.gov* or in hard copy at the Water Docket, EPA/DC, EPA West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the Water Docket is (202) 566–2426.

FOR FURTHER INFORMATION CONTACT: Heidi Bethel at U.S. EPA, Office of Water, Health and Ecological Criteria Division (Mail Code 4304T), 1200 Pennsylvania Avenue NW., Washington, DC 20460; telephone: (202) 566–2054; or email: *bethel.heidi@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. What should I consider as I prepare my comments for EPA?

In preparation for submitting comments for EPA on this action, please review the draft chemical-specific support documents EPA is publishing (1) in the public docket for this action under Docket ID No. EPA–HQ–OW–2014–0135, or (2) on EPA's Web site *http://water.epa.gov/scitech/swguidance/standards/criteria/current/hhdraft.cfm.* Provide EPA with comments regarding scientific views related to the draft updated national recommended water quality criteria for protecting human health. Include any recommended references for data or other scientific information to be considered by EPA.

II. What are recommended water quality criteria?

EPA's recommended water quality criteria are scientifically derived numeric values that protect aquatic life or human health from the deleterious effects of pollutants in ambient water.

Memorandum

To: EPA Staff
From: Peter Gartrell and Dave Berick (Majority Staff) and Brian Hughes (Minority Staff)
Date: June 11, 2013
Subject: Addendum to Renewable Identification Number Questions for the Environmental Protection Agency from staff of the Senate Committee on Energy and Natural Resources

On May 21, 2013, the Environmental Protection Agency (EPA) sent a letter ("EPA response") responding to questions sent to the agency by Chairman Wyden and Ranking Member Murkowski on March 22, 2013 ("Committee letter") regarding historically high prices and unusual volatility in the market for ethanol ("D6") Renewable Identification Numbers ("RINs"). EPA staff met with Majority and Minority staff for the Senate Committee on Energy and Natural Resources ("Committee staff") on May 22, 2013 ("meeting") to discuss the EPA response.

Committee staff continues to study the issue of high RINs prices, the reasons for their rapid increase in early 2013, and the effects on gasoline prices for American consumers.

The following questions seek information that expands on the EPA response, which is attached and incorporated by reference. The questions should be considered an addendum to the Committee letter, which is attached and incorporated by reference:

5.) To help Committee staff better understand the amount of trading taking place within the D6 RIN market:
   a. Please update Table 1a-1 ("trades table") of the EPA response to include all trading days between January 2, 2013 and May 31, 2013.
   b. Please provide a summary table listing the total number of RINs sold on a weekly and monthly basis between January 2, 2013 and May 31, 2013.

6.) Based on interviews with traders, brokers and market observers, Committee staff understands that bids and offers were atypically large. Committee staff is seeking to better understand who was engaged in this trading activity, particularly as EPA staff said during the meeting that the agency receives separate reporting of the same trades from RINs buyers and sellers that do not necessarily match each other:
   a. Please provide the 10 largest trades by volume reported by RINs buyers for all trading days between February 4 and April 12.
   b. Please provide the 10 largest trades by volume reported by RINs sellers for all trading days between February 4 and April 12.

7.) The trades table shows that the maximum prices for RINs trades climbed from $0.27 to $1.05 between February 19, 2013, and March 11, 2013. Furthermore, press accounts, analysts and market participants report that market forces have allowed RINs sellers to continue extracting higher prices from buyers as demand increases. Committee staff seeks to better understand the magnitude of high-priced trades, their volume and the participants affected by high prices:

a. Please provide the 10 trades with the highest reported price for all trading days between February 4 and April 12.
b. For the period April 15 through May 31, please provide any trades in which the price of a D6 RIN exceeded $1.

8.) Committee staff has spoken with many companies in recent months, including some who say they have submitted applications reserved for small refineries that can be exempted from RFS requirements if they show compliance would incur "disproportionate economic impacts" as described at 40 C.F.R. in Sections 80.1441 and 80.1442:

a. Please provide the names of all parties who have submitted hardship applications under Sections 80.1441 and 80.1442 in 2012 and 2013.
b. Please provide the status of the applications referred to in question 9(a).
c. Please provide the gasoline-producing capacity of the parties referred to in 9(a).
d. In addition to the parties referred to in 9(a), please provide the names of any parties that currently have existing exemptions from previously approved hardship applications.

PETE SESSIONS
32ND DISTRICT, TEXAS

CHAIRMAN
COMMITTEE ON RULES

COMMITTEE ON
FINANCIAL SERVICES
(ON LEAVE)

Congress of the United States
House of Representatives

2233 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-4332
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sessions.house.gov

June 30, 2013

Robert Perciasepe
Acting Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460-0003

Dear Acting Administrator Perciasepe:

The average national weekly gas price is 14 cents higher than it was a year ago.[1] Additionally, over the course of the past 12-18 months, we have seen gasoline prices climb intermittently to their highest-ever respective levels at certain times of the year.[2] With respect to these confounding and unprecedented spikes in gas prices, it has been brought to my attention by numerous constituents of mine and interested parties in the oil and refining, food, and transportation industries that there are broad concerns regarding implementation and application of the Renewable Fuel Standard (RFS) administered by the Environmental Protection Agency (EPA).

As you are clearly aware, the RFS sets minimum national requirements for the volume of biofuels – including ethanol - which must be blended into gasoline. While there are a wide variety of concerns regarding RFS, I am specifically writing today about the recent volatility in the market for Renewable Identification Numbers (RINs) for corn-based ethanol, which is having an adverse impact on the refining industry and possibly on the price of gasoline for my constituents and all Americans.

The purpose of the RFS program is to increase the amount of biofuels in gasoline.[3] The RFS sets targets and timetables for four categories of biofuels to be added to our nation's transportation fuel supply. The four categories are: renewable fuel (corn-based ethanol and advanced biofuel), advanced biofuel (cellulosic biofuel and biomass-based diesel), cellulosic biofuel and biomass-based diesel. The targets for the four categories total 16.55 billion gallons for 2013, of which no more than 13.8 billion gallons can be corn ethanol. Corn-based ethanol is capped at 15 billion gallons from 2015 on, while other categories of renewable fuel continue to rise until the total RFS reaches 36 billion gallons by 2022.

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[1] "U.S. Regular Gasoline Prices (dollars per gallon)," June 24, 2013, Gasoline and Diesel Fuel Update, U.S. Energy Information Administration (EIA) official website, http://www.eia.gov/petroleum/gasdiesel/
[2] Chris Kahn, "Gas prices are highest ever for this time of year," The Associated Press, http://www.washingtontimes.com/news/2012/feb/18/gas-prices-are-highest-ever-time-year/?page=all, Feb. 18, 2012
[3] "RINs and RVOs are used to implement the Renewable Fuel Standard," Today In Energy, U.S. EIA official website, http://www.eia.gov/todayinenergy/detail.cfm?id=11511, June 3, 2013

RINs and Renewable Volume Obligations (RVOs) are the mechanisms used by the EPA to implement RFS. The volumes of the four RFS targets are assigned to refiners and importers of gasoline and diesel fuels by way of RVO percentages (calculated by dividing each RFS target by the total estimated supply of nonrenewable gasoline and diesel fuel in each year).Under RFS, each gallon of biofuel produced or imported into the United States has a distinctive number, or RIN that indicates which of the RFS fuel requirements the biofuel will fulfill. Refiners, importers of gasoline and diesel fuels and blenders demonstrate compliance with RFS by reporting a certain amount of RIN holdings to the EPA after the end of each calendar year to meet their individual share of the RFS. Blenders generate RINs by blending a renewable fuel into transportation fuel that is produced by refiners. When these renewable fuels are blended, the RIN representing the renewable aspect of the fuel becomes separated from the physical biofuel. These separated RINs have a market value attached to them and can be acquired by either being purchased and then blended, or by being purchased and submitted to the EPA for compliance.

I have been told that in some cases, the refiner and the blender is the same entity. In others, the refiner structurally cannot blend renewable fuels even though the refiner produces the transportation fuel that creates the renewable fuel obligation. In these cases, the refiner must purchase RINs in the market from blenders. The burden of compliance is on the refiner, not the blender or seller of the fuel. This can place an enormous burden on certain refiners that produce the obligated fuel required for blending but do not have the means to blend and subsequently create a RIN.

This situation has been exacerbated by the recent price spikes in the market for corn-based ethanol RINs. The price of a corn-based ethanol RIN, known as D6, drastically increased since the beginning of 2013 due to what some energy analysts call the "ethanol blend wall." The ethanol blend wall is the inability of the industry to blend a sufficient quantity of ethanol into gasoline while producing the market standard E10 Gasoline to satisfy EPA's minimum national volume. The effect of this ethanol blend wall has contributed to the unprecedented surge in ethanol RIN prices from an average $0.02 per gallon to more than $1.00 per gallon during March of this year.[4] Since 2007 when U.S. gasoline consumption peaked at 142.4 billion gallons, U.S. annual gasoline consumption has declined. According to the U.S. Energy Information Administration (EIA), 134 billion gallons were used in 2012, which is below the 150 billion gallons that had been previously projected for that year. The decline in consumption of gasoline has resulted in a mismatch between gasoline demand and the volume of ethanol that is required to be blended in each gallon. If every gallon of gasoline sold were blended with 10 percent ethanol making the industry standard E10 gasoline, the maximum amount of ethanol that can be blended is approximately 13.3 billion gallons vs. a 13.8 billion gallon mandate for 2013.

The ethanol blend wall cannot be addressed by blending more ethanol with the same gasoline, such as producing E15 Gasoline, as additional ethanol is not compatible with most vehicles on the road. There are dangers of mis-fueling causing filling station owners to face liability when the fuel is inadvertently pumped into older cars and many automotive manufacturers' warranties are voidable if the consumer uses E15 in their vehicles. Moreover, there are not adequate

[4] "What caused the run-up in ethanol RIN prices during early 2013?" Today In Energy, U.S. EIA official website, http://www.eia.gov/todayinenergy/detail.cfm?id=11671, June 13, 2013

facilities nationwide to distribute such fuel. As such, because the ethanol blending mandate does not reflect actual gasoline demand, the refining industry is facing the ethanol blend wall and can only comply by buying RINs which may not be available and may not be affordable.

Inevitably, the costs to comply with RFS may be passed on to consumers in terms of higher costs at the pump. There could be increased exports of gasoline and diesel fuel to avoid RFS obligations; and gasoline markets that do not have sufficient refining capacity will be vulnerable to higher gasoline costs. According to a recent study by economic analysis firm NERA Economic Consulting, the impact of RFS implementation in its current form on the U.S. economy could decrease U.S. gross domestic product (GDP) by nearly $770 billion by 2015.[5]

I understand that the EPA has the ability to waive RFS requirements in whole or in part under certain conditions and has some flexibility when setting RVOs. I urge you to utilize your authority to take appropriate steps to better align the ethanol blend mandate with the nation's gasoline consumption by reducing the minimum stated volume of ethanol which must be blending into gasoline in 2013. I strongly support an all-of-the-above energy approach but the amount of renewable biofuels in the marketplace should be determined and guided by producers, the demand of consumers and market realities. I would also like your perspective on and insight into what is causing – or contributing to – the recent spikes in ethanol RIN prices.

I also note that a number of smaller refiners have requested relief from the obligation to comply with RFS for a short period of time. I urge you to approve these hardship requests in order to prevent the unnecessary closure of small refining facilities due to this legislative burden.

Thank you for your consideration. I look forward to hearing from you.

Sincerely,

Pete Sessions
Member of Congress

[5] NERA Economic Consulting report, "Economic Impacts Resulting from Implementation of RSF2 Program," American Petroleum Institute (API) website, http://www.api.org/news-and-media/news/newsitems/2013/march-2013/~/media/Files/Policy/Alternatives/13-March-RFS/NERA_EconomicImpactsResultingfromRFS2Implementation.pdf, October 2012

Workbook Contents

Europe Brent Spot Price FOB (Dollars per Barrel)

Click worksheet name or tab at bottom for data

Worksheet Name
Data 1

Release Date:
Next Release Date:
Excel File Name:
Available from Web Page:
Source:
For Help, Co

THOMSON REUTERS

Description	# Of Series	Frequency
Europe Brent Spot Price FOB (Dollars per Barrel)	1	Monthly

6/26/2013
7/3/2013
rbrtem.xls
http://tonto.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=RBRTE&f=M

infoctr@eia.doe.gov
(202) 586-8800

Latest Data for

5/2013

Back to Contents **Data 1: Europe Brent Spot Price FOB (Dollars per Barrel)**

Sourcekey	RBRTE
Date	**Europe Brent Spot Price FOB (Dollars per Barrel)**
May-1987	18.58
Jun-1987	18.86
Jul-1987	19.86
Aug-1987	18.98
Sep-1987	18.31
Oct-1987	18.76
Nov-1987	17.78
Dec-1987	17.05
Jan-1988	16.75
Feb-1988	15.73
Mar-1988	14.73
Apr-1988	16.6
May-1988	16.31
Jun-1988	15.54
Jul-1988	14.91
Aug-1988	14.89
Sep-1988	13.18
Oct-1988	12.41
Nov-1988	13.02
Dec-1988	15.31
Jan-1989	17.17
Feb-1989	16.89
Mar-1989	18.7
Apr-1989	20.32
May-1989	18.63
Jun-1989	17.67
Jul-1989	17.62
Aug-1989	16.77
Sep-1989	17.77
Oct-1989	18.91
Nov-1989	18.73
Dec-1989	19.84
Jan-1990	21.25
Feb-1990	19.81
Mar-1990	18.39
Apr-1990	16.61
May-1990	16.35
Jun-1990	15.1
Jul-1990	17.17
Aug-1990	27.17
Sep-1990	34.9
Oct-1990	36.02
Nov-1990	33.07
Dec-1990	28.27
Jan-1991	23.57
Feb-1991	19.54

Mar-1991	19.08
Apr-1991	19.18
May-1991	19.19
Jun-1991	18.17
Jul-1991	19.4
Aug-1991	19.77
Sep-1991	20.5
Oct-1991	22.21
Nov-1991	21.11
Dec-1991	18.41
Jan-1992	18.16
Feb-1992	18.05
Mar-1992	17.63
Apr-1992	18.92
May-1992	19.89
Jun-1992	21.16
Jul-1992	20.24
Aug-1992	19.74
Sep-1992	20.27
Oct-1992	20.26
Nov-1992	19.21
Dec-1992	18.14
Jan-1993	17.39
Feb-1993	18.47
Mar-1993	18.79
Apr-1993	18.67
May-1993	18.51
Jun-1993	17.65
Jul-1993	16.78
Aug-1993	16.7
Sep-1993	16.01
Oct-1993	16.61
Nov-1993	15.2
Dec-1993	13.73
Jan-1994	14.29
Feb-1994	13.8
Mar-1994	13.82
Apr-1994	15.23
May-1994	16.19
Jun-1994	16.76
Jul-1994	17.6
Aug-1994	16.89
Sep-1994	15.9
Oct-1994	16.49
Nov-1994	17.19
Dec-1994	15.93
Jan-1995	16.55
Feb-1995	17.11
Mar-1995	17.01
Apr-1995	18.65
May-1995	18.35

Jun-1995	17.31
Jul-1995	15.85
Aug-1995	16.1
Sep-1995	16.7
Oct-1995	16.11
Nov-1995	16.86
Dec-1995	17.93
Jan-1996	17.85
Feb-1996	18
Mar-1996	19.85
Apr-1996	20.9
May-1996	19.15
Jun-1996	18.46
Jul-1996	19.57
Aug-1996	20.51
Sep-1996	22.63
Oct-1996	24.16
Nov-1996	22.76
Dec-1996	23.78
Jan-1997	23.54
Feb-1997	20.85
Mar-1997	19.13
Apr-1997	17.56
May-1997	19.02
Jun-1997	17.58
Jul-1997	18.46
Aug-1997	18.6
Sep-1997	18.46
Oct-1997	19.87
Nov-1997	19.17
Dec-1997	17.18
Jan-1998	15.19
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Feb-2013	116.05
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May-2013	102.56

Workbook Contents

U.S. FOB Costs of Mexican Mayan Crude Oil (Dollars per Barrel)

Click worksheet name or tab at bottom for data

Worksheet Name
Data 1

Release Date:
Next Release Date:
Excel File Name:
Available from Web Page:
Source:
For Help, Contact:

Description	# Of Series	Frequency
U.S. FOB Costs of Mexican Mayan Crude Oil (Dollars per Barrel)	1	Monthly

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8/1/2013
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Energy Information Administration
infoctr@eia.doe.gov
(202) 586-8800

Latest Data for

4/2013

Back to Contents **Data 1: U.S. FOB Costs of Mexican Mayan Crude Oil (Dollars per Barrel)**

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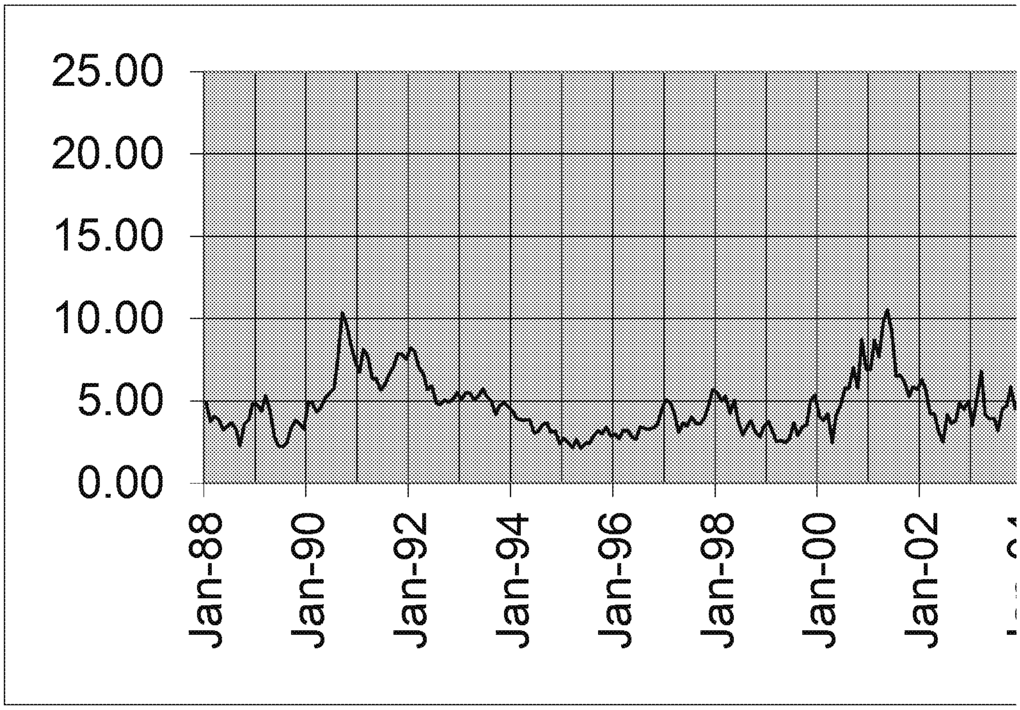

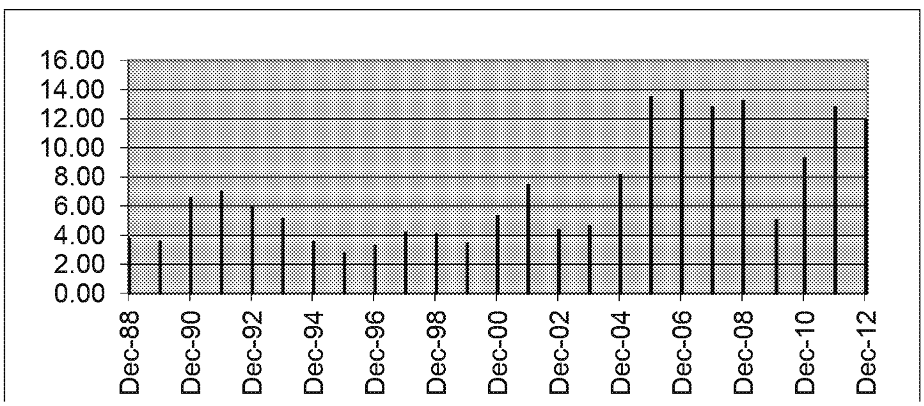

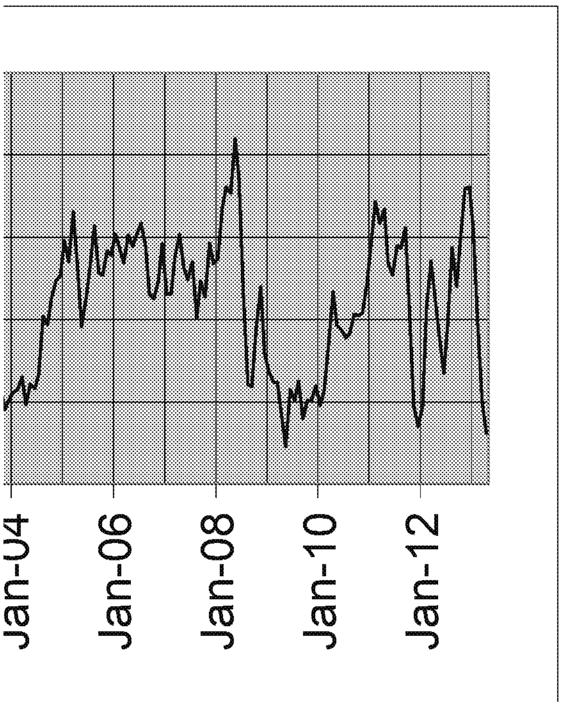
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Regulatory Announcement

EPA Issues Minor Amendments to the Cellulosic Waiver Credit Provisions and Other Renewable Fuel Standard Regulations

This Direct Final Rulemaking (DFRM) would clarify the data sources and methodology used to calculate the Cellulosic Waiver Credit (CWC) price. It would also amend the regulations to remove the CWC prices from the code of federal regulations. Instead, they would be announced in a more timely fashion on EPA's website. Finally, the DFRM will reinsert language in the renewable fuels program regulations inadvertently overwritten by the Quality Assurance Program final rule. This action would not result in any significant costs or emission impacts. The amendments apply in the following areas:

Amendments

Clarification of the Data Sources Used in the CWC Price Calculation: The price of CWCs are determined using a formula specified in the Clean Air Act (CAA). The cellulosic waiver credit price is the greater of $0.25 or $3.00 minus the wholesale price of gasoline, where both the $0.25 and $3.00 are adjusted for inflation. In this action we are clarifying that we will adjust for inflation by comparing the Consumer Price Index from June of the year preceding the compliance period to the Consumer Price Index from January 2009. In this calculation we will use the "Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average, Unadjusted Index for All Items" expenditure category as provided by the Bureau of Labor and Statistics.

Modification of the Method for Announcing CWC Prices: In previous years EPA has established the CWC price by rulemaking and published these prices in the Code of Federal Regulations. This process has resulted in a delay of the announcement of the CWC price for 2014 and 2015. To allow more expeditious publication of the CWC prices EPA will announce the CWC price on our "Renewable Fuels: Regulations & Standards" website (http://www.epa.gov/otaq/fuels/renewablefuels/regulations.htm). EPA will issue an EnviroFlash notice when the CWC prices are posted.

EPA United States Environmental Protection Agency

Office of Transportation and Air Quality
EPA-420-F-15-015
March 2015

To subscribe to receive EnviroFlash notices visit our website at: https://enviroflash.epa.gov/enviroflashOTAQPublic/Subscriber.do?method=start. We will also remove the CWC prices from our regulations.

Calculation of CWC Prices: EPA has calculated the CWC prices for 2014 and 2015 using the data sources and methodology specified in this rule, as described above. The CWC price for 2014 will be $0.49 and the CWC price for 2015 will be $0.64. We will publish these prices, along with the 2013 CWC price ($0.42), on our website following the effective date of this rule

Reinsertion of Inadvertently Overwritten Text: A previous EPA rulemaking action inadvertently overwrote a section of the regulations regarding renewable fuel produced from giant reed (Arundo donax) and napier grass (Pennisetum purpureum). In this rule we are reinserting this text. In conjunction with the addition of this text, we are also re-numbering several existing sections of our regulations to align them with regulatory references elsewhere.

What are the Economic and Environmental Impacts?

This rulemaking action is not expected to result in any significant changes in regulatory burdens or costs.

Public Participation Opportunities

This rule is being released as a Direct Final Rule because we view it as a non-controversial action and anticipate no adverse comment. However, comments can be submitted under a parallel Notice of Proposed Rulemaking (NPRM). Comments will be accepted for 30 days beginning when the NPRM is published in the Federal Register. All comments should be identified by Docket ID No. EPA-HQ-OAR-2015-0049 and submitted by one of the following methods:

- Internet: www.regulations.gov

- E-mail: A-and-R-Docket@epa.gov

- Mail:
  Environmental Protection Agency
  Air and Radiation Docket and Information Center (6102T)
  1200 Pennsylvania Avenue NW
  Washington, DC 20460

- Hand Delivery:
  EPA West Building
  EPA Docket Center (Room 3340)
  1301 Constitution Avenue NW
  Washington, DC

Regulatory Announcement

For More Information

You can access the rule and related documents on EPA's Office of Transportation and Air Quality (OTAQ) website at:

www.epa.gov/otaq/fuels/renewablefuels/regulations.htm

You can access documents on the Renewable Fuels Standards Program on the website given above, or by contacting the OTAQ library at:

U.S. Environmental Protection Agency
Office of Transportation and Air Quality Library
2000 Traverwood Drive
Ann Arbor, MI 48105
(734) 214-4311 & 214-4434
E-mail: Group_AALibrary@epa.gov

Refinery-profitability statistics begin

in this issue

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Muse, Stancil & Co.
Houston

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Neil K. Earnest
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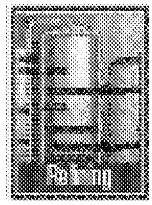


This issue of Oil & Gas Journal introduces Muse, Stancil & Co.'s monthly refining margins in the statistics secion. This series will provide insight into the relative profitability of operations in six major refining centers: the US Gulf Coast, US East Coast, US Midwest, US West Coast, Northwest Europe, and Southeast Asia.

Based in Dallas, Muse is an international consulting firm with expertise in economic and strategic issues in the downstream energy industry.

The refinery profitability series is an analysis of profit margins for operations based on current prices and Muse's estimates of typical feedstock and product slates and operating costs for each region.

REFINING PROFITABILITY*

	Product revenues
less	Feedstock costs
	Gross margin
less	Fixed costs
less	Variable costs
	Cash operating margin

*Each element is expressed on the equivalent $/gal of crude run.

This article explains the methodology used by Muse to estimate refinery profitability and covers historical refining industry trends. Monthly margins starting in January 1995 and running to date are accessible through the Oil & Gas Journal Energy Database.

As significant changes occur in the industry environment, such as the implementation of new product specifications, changes in process capabilities, or other industry dynamics, Muse will revise the methodology to reflect the impact on refinery margins.

Refinery profitability

The profitability of individual refineries depends on numerous factors. These include:

- The availability and prices for crude oil and other raw material inputs.
- The characteristics of the regional markets in which a refinery operates and sells its products.
- Refinery process capacity, complexity, and efficiency.
- The structure and nature of the refinery's owners.

Muse's refinery profitability series estimates the overall economic performance of refinery manufacturing assets. It also provides insight into the average trends in each region based on the configuration and crude processing capabilities that define the market.

As such, it focuses on the production of refined fuels products by the major refineries in each analyzed region. The analysis encompasses the overall feedstock input and refined products output balance and all cash costs incurred in a refinery's operation.

The analysis is not intended to measure the profitability of incremental refining capacity nor is it intended to reflect the performance of any specific company or refinery.

Muse's refinery profitability series excludes consideration of lube oil, petrochemical, or other specialty products' manufacturing operations. While such operations are carried out at many refineries (and often provide significant contributions to economic performance), they are frequently integrated with other business activities or markets that do not reflect fundamental fuels refining dynamics.

Muse's portrayal of refinery profitability is developed in accordance with the pro forma economic formulas shown in the accompanying box.

The cash-operating margin thus developed is an indicator of the earnings before

VARIABLE, FIXED CASH COSTS Table 1

Variable costs	Purchased fuels Purchased electricity Water Catalysts and chemicals
Fixed costs	Operating labor Maintenance labor and materials Technical and supervisory manpower Laboratory and other sup port services Insurance Ad valorem taxes Direct general and admin istrative costs

Regional process capacities

Table 2

Process	US Gulf Coast Capacity, 1,000 b/d	US Gulf Coast % crude	US East Coast Capacity, 1,000 b/d	US East Coast % crude	US Midwest Capacity, 1,000 b/d	US Midwest % crude	US West Coast Capacity, 1,000 b/d	US West Coast % crude	Northwest Europe Capacity, 1,000 b/d	Northwest Europe % crude	Southeast Asia Capacity, 1,000 b/d	Southeast Asia % crude
Crude distillation	210	100	181	100	163	100	159	100	157	100	110	100
Vacuum distillation	102	48.8	72	40.0	70	42.7	83	52.5	48	30.6	25	22.7
Fluid catalytic cracking	77	36.7	69	37.9	58	35.5	50	31.2	42	26.8	28	25.5
Hydrocracking	19	8.9	5	2.6	8	5.2	27	17.2	9	5.7	0	0
Coking	29	13.9	9	5.0	17	10.2	35	22.3	4	2.6	0	0

interest, taxes (income), depreciation, and amortization (EBITDA) that are achieved in various regions over time.

Prices, costs

Muse estimates the product revenue and feedstock cost elements of the cash-operating margin based on prevailing spot prices in each of the regions.

The use of spot prices excludes economic contributions from crude oil production or refined products marketing assets and operations. While such assets and operations contribute to the overall economic performance of many companies, companies often provide separate accounting for the performance of refinery manufacturing assets.

Muse uses a variety of published sources to track crude oil and refined products prices in each refining region. The published refinery profitability series does not include any proprietary or confidential pricing information from individual companies.

The Muse refinery profitability series reflects estimates of the average cash costs directly associated with each of the regional refinery operations analyzed. As Table 1 shows, the cost structures include both variable and fixed costs.

The Muse refinery cost structures specifically exclude consideration of all indirect and noncash costs such as depreciation, corporate allocations, and financial charges.

Regional refinery capabilities

The refinery profitability series is based on the performance of refineries that are characteristic of the major operations in the regional refining centers addressed.

Muse uses a representative refinery model for each region to develop feedstock and product balances on a seasonal basis. The regional model reflects the average size and complexity of refinery processes employed, a feedstock input mix that is typical of the region, and a slate of refined fuels products that reflects actual regional production patterns and quality specifications.

Small, specialty refineries have not been included in the calculation of the regional average process configurations.

Table 2 summarizes the capacity and major refinery conversion processes employed in each refining region in the Muse refinery-profitability series.

In addition to the major conversion processes noted above, each regional refinery model includes upgrading processes and support facilities needed to produce its slate of refined products.

Additional refining processes include hydrodesulfurization, catalytic reforming, alkylation, and sulfur recovery. Support facilities include typical refinery fuel treating and distribution, steam generation, electric power distribution, cooling water and process water systems, blending facilities, and logistics facilities needed to receive, store, or ship feedstocks, intermediates, and finished products.

The model also assumes that each refinery employs the appropriate environmental control facilities for air emissions, wastewater discharges, and hazardous waste management as required by the region in which it operates.

Crude slates

Muse characterized the crude oils included in the raw-material costs through an analysis of international crude trading patterns, domestic production and shipment profiles, and, where available, the reported average gravity and sulfur content of crude oils processed at refineries in each region.

Regional crude oil input slates reflect blends of widely traded crude streams for which reliable pricing is available. Crude oils not specifically included in the Muse's regional average crude blends will tend to be priced at refining parity with the major market benchmark streams.

1999 Regional average crude blend characteristics

Table 3

Region	Gravity, °API	Sulfur, wt %
U.S. Gulf Coast	30.7	1.48
U.S. East Coast	33.2	0.94
U.S. Midwest	32.6	1.35
U.S. West Coast	26.0	1.23
Northwest Europe	37.3	0.77
Southeast Asia	39.0	0.90

Table 3 lists the API gravities and sulfur contents of the 1999 regional average crude oil blends analyzed by Muse.

The feedstock cost estimated for US East Coast refineries in the Muse refinery-profitability series reflects the costs of imported light sweet crude oils from Africa and the North Sea that dominate that region's supply mix.

Midwest refinery models are based on the typical use of a mix of domestic US, Canadian, and other imported crude oils.

The crude oil mix for the US Gulf Coast region consists of supplies from a wide range of sources, including domestic onshore and offshore production, heavy crudes from Venezuela and Mexico, and medium-to-light crudes from Mideast and North Sea sources.

The models show that West Coast refineries primarily consume Alaskan North Slope and California onshore and offshore crudes.

Crude oils processed in Northwest Europe reflect a combination of generally light and sweet supplies from the North Sea and Africa, and medium gravity, high-sulfur crudes from Russia and the Middle East. Crude oils run in Southeast Asia refineries mainly come from a combination of regional production sources (for example, Indonesia, Malaysia, and China) and Middle East streams.

The combination of crude oil availability, crude oil logistics, and refinery configurations contribute to the significant differences in the crude oil qualities (and resulting crude oil costs) associated with the various regional refinery profiles noted above. These same parameters also create differences in the operating costs associated with each region's overall refinery manufacturing base.

Refining trends

The downstream segment of the petroleum industry worldwide has undergone significant changes during the past decade. These changes have affected all aspects of the refining business, including crude oil supply and product-consumption patterns, environmental compliance requirements for refinery operations and major refined products, and the overall competitive business environment.

The transparency of the crude and product markets has increased dramatically in the past 2 decades, with a resulting shift in operating strategies and profitability for refiners. The roster of industry participants is changing.

As rationalization characterized the 1980s, consolidation characterized the 1990s. In the broadest of perspectives, these evolving trends are characteristic of a commodity industry in a mature stage of its lifecycle.

US refining trends

One of the trends affecting the petroleum industry's competitive environment has been a substantial consolidation and restructuring of its downstream asset base. This has included mergers (on an international scale), acquisitions and divestitures of selected assets and operations, as well as abandonment of marginal and uneconomic processing facilities.

Since 1990, US refinery crude distillation capacity has grown by about 1 million b/d to the current level of slightly more than 16.6 million b/d. This growth is equivalent to 7% of the operating capacity that was in place at the beginning of 1990.

During the past 10 years, US capacity has been consolidated into fewer refineries and fewer refining companies. To illustrate, ten companies today account for approximately 70% of total US crude oil distillation capacity (11.6 million b/d). In 1990, 70% of US refining capacity (slightly less than 10.9 million b/d) was distributed among 14 companies.

The consolidation has contributed to a downward trend in operating costs and heightened the competitive pressure on refining margins.

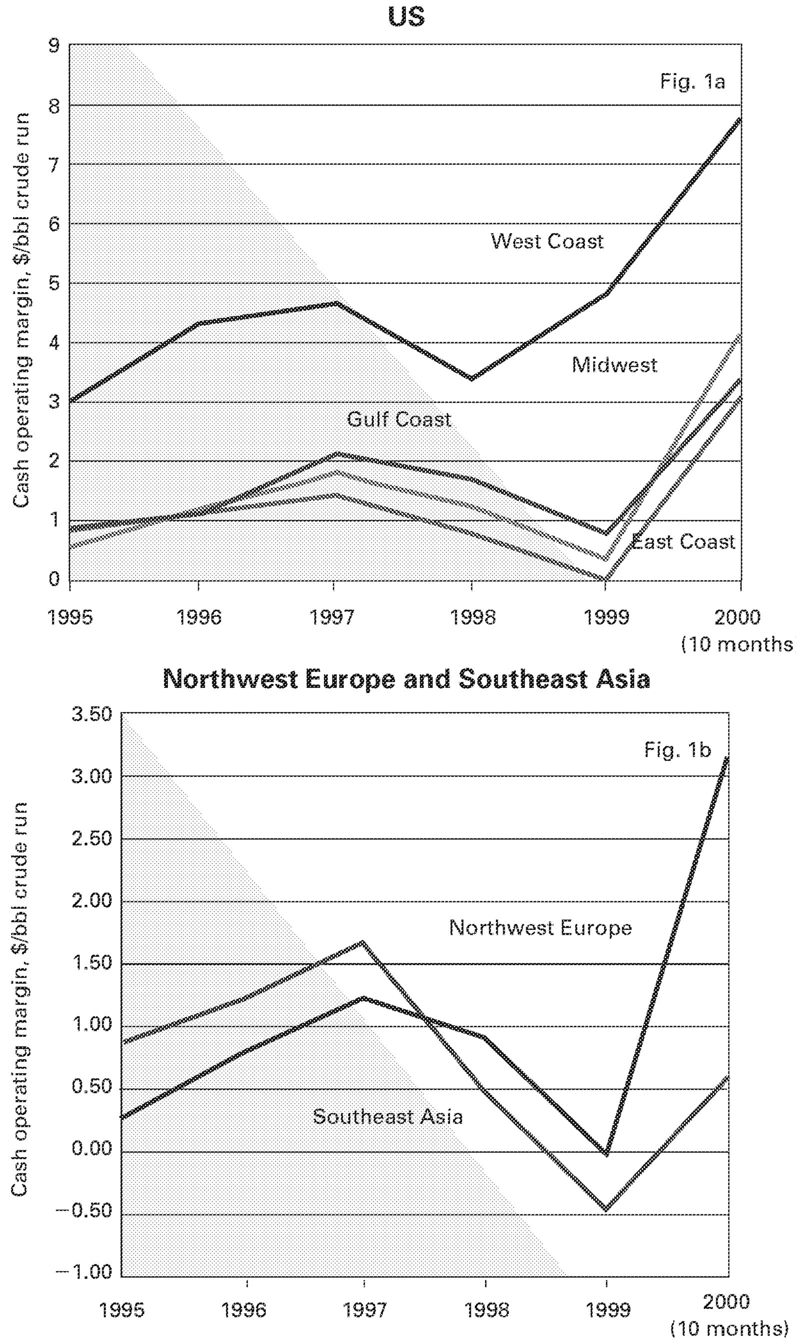
Fig. 1a shows the annual average cash-operating margins achieved by regional refiners in the US since 1995.

The term "cyclical" is sometimes used in describing refinery profitability. The term implies a degree of predictability and orderliness, however, that most refiners would agree does not exist.

The refining industry is characterized

Average annual cash operating margins

Fig. 1



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by operating margins that can swing dramatically from month to month, although there are seasonal demand factors that contribute to margin trends within a given year.

On a longer-term basis, refinery profitability does not follow definable cycles, but rather is influenced by a number of factors. These factors include fluctuations in crude price, crude and product inventory levels, rates of capital spending and capacity utilization, and product market variables—each of which can have a dramatic impact on refiners' profits.

All of the refining centers have experienced broadly similar profitability trends on an annual average basis over time. An examination of the trends, however, also reveals that West Coast refining is somewhat unique.

The closer alignment of refiners in the Gulf Coast, East Coast, and Midwest regions reflects the extensive refined products pipelines and logistics support systems that tie these major refining centers together. No similar ties to the West Coast exist.

Both the Midwest and East Coast markets lack sufficient indigenous refining capacity to meet their regional demands for refined products. Refiners in the Gulf Coast have traditionally served as the source for the incremental supplies of refined products to meet the needs of the Midwest and East Coast markets. Imports of refined products from refiners in Europe and the Caribbean region also serve the East Coast.

Prices for refined products in the US Gulf Coast, East Coast, and Midwest markets thus reflect the competitive dynamics of refinery operations throughout the Atlantic basin. Overall trends in refining profitability in each region, in turn, reflect the combined impact of refined-product prices along with regional crude oil costs and typical refinery efficiencies.

In contrast to the regional integration between refined products manufacturing and consuming sectors in areas east of the Rocky Mountains, the US West Coast can generally be characterized as a self-contained market.

Historically, West Coast refiners have satisfied the region's overall demand for refined products. More recently, however, the region's supply and demand balance has tightened, and unexpected refinery outages can lead to short-term price volatility.

European, Asian refining centers

Both crude and refined-products markets are global, with very few niche markets left in the world. As such, there are many refining centers scattered through the world that serve diverse markets. Such centers can be viewed in two broad perspectives:

- Centers that produce refined products primarily to satisfy the requirements of local markets. In these areas, refinery economic performance tends to reflect the specific regional competitive environment.
- Regions that contain significantly more refining capacity than needed for local markets (as is the case in the US Gulf Coast region) or regions that can be easily supplied by water or pipeline with refined products from other regions.

Refinery economic performance in these areas reflects the cumulative impact of the competitive environments in both local and other markets that either supply product or are served by the region's refineries.

Among the various major international refining centers, there are two areas that are generally considered as bellwethers of refinery economic performance:

- Northwest Europe in the region generally referred to as ARA (Amsterdam, Rotterdam, and Antwerp).
- Southeast Asia, serving markets throughout the Asia-Pacific region.

These two refining centers rely on diverse crude oil supply sources. They ship products to various consumer markets that depend on imports to satisfy their overall needs.

Thus, the supply, demand, and pricing dynamics for crude oil and refined products in Northwest Europe and Southeast Asia reflect a broad spectrum of the international refining competitive environment.

Fig. 1b shows the average cash-operating margins estimated for refiners operating in these two international export centers.

In 1988-94, conversion capacity in Europe increased significantly. Expressed as a portion of crude capacity, it rose from 23% to 31%, with much of the focus on catalytic cracking.

With crude capacity also increasing, combined with the availability of light crude oils and condensates, the industry experienced a substantial increase in its gasoline production capability.

By 1995, however, Europe was increasing its preference for diesel cars, driven by higher efficiency for diesels and tax incentives in a number of European countries.

This undermined the gasoline demand, and refiners are now struggling to meet the growing demand in distillate.

The surplus of gasoline led to the relatively poor economic performance in 1995-96.

Economics improved in 1997 and 1998, however, as supply tightened and domestic products' prices held a healthy premium over declining crude oil prices.

Also, the strong demand for gasoline in the US supported European exports.

By yearend 1998, high inventories started to erode refinery margins. Combined with the rapid increase in crude oil prices in early 1999, margins declined further, giving European refiners the worst economic performance of the decade.

As inventories were worked down, however, margins started to improve. In 2000, partly on the back of very strong US gasoline market, margins climbed to record highs.

Refiners in the Southeast Asia region have traditionally struggled with a very competitive market.

Nonetheless, optimistic expectations for economic growth during the early to mid-1990s in the Southeast Asia region contributed to aggressive plans for expanding refining capacity to meet the expected growth in demands for refined products.

Unfortunately, what the region ultimately experienced was a period characterized by little or no economic growth, and the expected growth in refined products demand did not materialize.

This situation has led to an extended period of losses for refiners in the Southeast Asia market. As has been the case elsewhere in the world, Southeast Asia refining margins have improved significantly during 2000.

This reflects the improved economic conditions in the region as well as the

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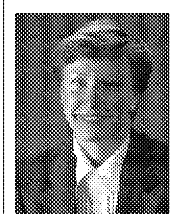
cancellation or deferral of refinery expansion investments that were previously committed. ✦

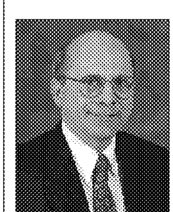
The authors

Peter J. Killen is associated with Muse, Stancil & Co.'s Houston office, where he assisted in development of the refinery profitability series. He is involved in a variety of consulting activities for the hydrocarbon and processing related industries. Killen holds a BS in chemical engineering from the University of Detroit.



Kathy G. Spletter is a vice-president and director of Muse, Stancil & Co. and leads the valuation services practice area for Muse. She worked for Mobil Corp. prior to joining Muse in 1987 and has more than 20 years' experience in the energy industry. Spletter holds a BS in chemical engineering from Texas A&M University. She is a registered professional engineer in Texas and is an accredited senior appraiser of the American Society of Appraisers.

Neil K. Earnest is a vice-president and director with Muse, Stancil & Co. with a practice focus on the economic and technical analysis of the petroleum refining and marketing sector. Prior to joining Muse in 1991, he was with Phillips Petroleum Co. for 11 years where he held a variety of refinery and headquarters positions. Earnest holds a BS in chemical engineering and an MBA. He is a registered professional engineer in Texas.



Bradford L. Stults has 17 years' experience in the petroleum and refining industry including refinery operations planning and capital project justification. His special focus is long-term petroleum industry forecasting and pricing. Before joining Muse Stancil & Co., he was with Koch Refining Co. as director of petroleum economics. Stults holds a BS and an MS in mathematics.

United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

WASHINGTON, DC 20510-6175

April 4, 2017

The Honorable Scott Pruitt
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, D.C. 20460

Dear Administrator Pruitt:

We are writing to you about hardship exemptions for small refineries under the Renewable Fuel Standard (RFS). We are troubled with your predecessor's rejection of the Secretary of Energy's recommendations in favor of hardship exemption petitions. Congress directed the Administrator of the Environmental Protection Agency (EPA) to consult with the Secretary on these petitions. As you review petitions for hardship exemptions from the 2016 Renewable Fuel Volume Obligations (RVOs), we ask that you give meaningful consideration to the Secretary's views.

Under the Clean Air Act, a small refinery may petition the Administrator for an exemption from its annual RVOs under the RFS on the basis of "disproportionate economic hardship." When evaluating a petition, Congress directed the Administrator to consult with the Secretary of Energy. Historically, the Secretary used a two-part test to determine whether a small refinery experiences disproportionate economic hardship. Specifically, a small refinery had to experience: "a high cost of compliance relative to the industry average disproportionate impacts and an effect sufficient to cause a significant impairment of the refinery operations viability."

In 2015, Congress included report language to accompany the "Consolidated Appropriations Act, 2016." This language instructed the Secretary to recommend to the Administrator that EPA grant a 50 percent exemption to small refineries experiencing *either* a high cost of compliance relative to the industry average disproportionate impacts *or* an effect sufficient to cause a significant impairment of the refinery operations viability. Since its adoption, the Secretary has recommended that the Administrator grant petitions for a 50 percent exemption for a number of small refineries. However, we understand that Administrator McCarthy rejected these petitions.

During your confirmation hearing, you stated that "[i]t is not the job of the Administrator…to do anything other than administer the [RFS] program according to the intent of Congress." You rightly emphasized the importance of process, the rule of law, and listening to others. We request that you – in contrast to your predecessor – acknowledge the direction that Congress gave the Secretary with respect to petitions for hardship exemptions and give meaningful consideration to the Secretary's recommendations. This should apply to the 2016 RVOs as well as future RVOs.

Thank you for your consideration and we look forward to your response.

Sincerely,

John Barrasso

John Barrasso, M.D.
Chairman
U.S. Senate Committee on
Environment and Public Works

Shelley Moore Capito

Shelley Moore Capito
Chair
U.S. Senate Subcommittee on
Clean Air and Nuclear Safety

Enclosure

provided for BER. The agreement provides $75,000,000 for the fourth year of the second five-year term of the three BioEnergy Research Centers. The Department is urged to give priority to optimizing the operation of BER user facilities.

Fusion Energy Sciences.—The agreement continues the new budget structure for fusion energy sciences and provides funding accordingly.

The agreement provides $214,755,000 for burning plasma science foundations; $41,021,000 for burning plasma science long pulse; and $67,224,000 for discovery plasma science, including $2,750,000 for high energy density science and discovery plasma science opportunities at NDCX-II in support of the mission of Fusion Energy Sciences.

The agreement provides not less than $71,000,000 for the National Spherical Torus Experiment, not less than $80,000,000 for DIII-D, and not less than $18,000,000 for Alcator C-Mod.

The agreement includes funding for the in-kind contributions and related support activities of ITER. In addition to the reporting language included in the bill, the Department shall provide to the Committees on Appropriations of both Houses of Congress not later than February 15, 2016, and again on August 15, 2016, a report on the status of the ITER project and the implementation of the Director General's Action Plan, including new budget projections, project schedule, cost overruns, delays, organizational structure changes, manufacturing deliveries, assembly, and installation.

High Energy Physics.—The agreement provides $26,000,000 for the Long Baseline Neutrino Facility (LBNF) project construction line. The agreement provides no funding for LBNF within Other Project Costs. It is expected that increased funding for LBNF will come from other Fermi National Laboratory funding within the High Energy Physics account. Within available funds, $10,300,000 is provided for DESI, $10,500,000 is provided for LUX ZEPLIN, and $40,800,000 is provided for the Large Synoptic Survey Telescope Camera. The agreement provides no further funding direction within the High Energy Physics account.

Nuclear Physics.—Within available funds, the Department is encouraged to fund optimal operations for the Relativistic Heavy Ion Collider at Brookhaven National Laboratory. The agreement provides $100,000,000 for the Facility for Rare Isotope Beams. No further direction is provided for the Nuclear Physics account.

Workforce Development for Teachers and Scientists.—The agreement does not include previous Senate direction for the Computational Sciences Graduate Fellowship program.

ADVANCED RESEARCH PROJECTS AGENCY—ENERGY

The agreement provides $291,000,000 for the Advanced Research Projects Agency—Energy.

TITLE 17—INNOVATIVE TECHNOLOGY LOAN GUARANTEE PROGRAM

The agreement provides $42,000,000 for administrative expenses for the Title 17 Innovative Technology Loan Guarantee Program. This amount is offset by estimated revenues of $25,000,000, resulting in a net appropriation of $17,000,000.

The Department is directed to continue to provide to the Committees on Appropriations of both Houses of Congress quarterly reports on the status of the Cape Wind conditional commitment, including an update on ongoing litigation and the risks this litigation poses to the success of the project.

ADVANCED TECHNOLOGY VEHICLES MANUFACTURING LOAN PROGRAM

The agreement provides $6,000,000 for the Advanced Technology Vehicles Manufacturing Loan Program.

DEPARTMENTAL ADMINISTRATION

The agreement provides $130,971,000 for Departmental Administration.

Small Refinery Exemption.—Under section 211(o)(9)(B) of the Clean Air Act, a small refinery may petition the Environmental Protection Agency (EPA) Administrator for an exemption from the Renewable Fuel Standard (RFS) on the basis that the refinery experiences a disproportionate economic hardship under the RFS. When evaluating a petition, the Administrator consults with the Secretary of Energy to determine whether disproportionate economic hardship exists. According to the Department's March 2011 Small Refinery Exemption Study, disproportionate economic hardship must encompass two broad components: a high cost of compliance relative to the industry average disproportionate impacts and an effect sufficient to cause a significant impairment of the refinery operations viability.

If the Secretary finds that either of these two components exists, the Secretary is directed to recommend to the EPA Administrator a 50 percent waiver of RFS requirements for the petitioner. The Secretary is also directed to seek small refinery comment before making changes to its scoring metrics for small refinery petitions for RFS waivers and to notify the Committees on Appropriations of both Houses of Congress prior to making any final changes to scoring metrics.

The conference report accompanying the Energy and Water Development and Related Agencies Appropriations Act, 2010, addressed similar issues and directed the Secretary to redo an earlier study done to evaluate whether the RFS program imposes a disproportionate economic hardship on small refineries. In calling for the Secretary to redo the study, the conference report cited the lack of small refinery input into the earlier study, concerns about regional RFS compliance cost disparities, small refinery dependence on the purchase of renewable fuel credits (RINs), and increasing RIN costs. Since then, the dramatic rise in RIN prices has amplified RFS compliance and competitive disparities, especially where unique regional factors exist, including high diesel demand, no export access, and limited biodiesel infrastructure and production. In response to recent petitions, the Secretary determined that the RFS program would impose a disproportionate economic and structural impact on several small refineries. Despite this determination, the Secretary did not recommend, and EPA did not provide, any RFS relief because it determined the refineries were profitable enough to afford the cost of RFS compliance without substantially impacting their viability. The Secretary is reminded that the RFS program may impose a disproportionate economic hardship on a small refinery even if the refinery makes enough profit to cover the cost of complying with the program. Small refinery profitability does not justify a disproportionate regulatory burden where Congress has explicitly given EPA authority, in consultation with the Secretary, to reduce or eliminate this burden.

OFFICE OF THE INSPECTOR GENERAL

The agreement provides $46,424,000 for the Office of the Inspector General.

ATOMIC ENERGY DEFENSE ACTIVITIES

NATIONAL NUCLEAR SECURITY ADMINISTRATION

The agreement provides $12,526,512,000 for the National Nuclear Security Administration (NNSA). In lieu of direction in the Senate report, the agreement includes language addressing the Consolidated Emergency Operations Center, which will contain the Energy Resilience and Operations Center, in an earlier section.

Budget Structure Changes.—The agreement provides funding for Weapons Activities consistent with the budget structure in the House report. The NNSA is specifically prohibited from requesting any further changes to the budget structure provided in this Act unless the NNSA has obtained agreement in advance from the Committees on Appropriations of both Houses of Congress.

Laboratory Directed Research and Development.—In light of the report of the Commission to Review the Effectiveness of the National Energy Laboratories, the Secretary is directed to provide a report on the impact of burdening Laboratory Directed Research and Development and provide recommendations on legislative changes to address the Commission's findings.

WEAPONS ACTIVITIES

The agreement provides $8,846,948,000 for Weapons Activities.

Life Extension Programs and Major Alterations.—The NNSA is directed to clearly account for all costs of any major multi-year stockpile refurbishment activity with a total cost greater than $1,000,000,000 and shall ensure a formal and comprehensive acquisition management plan is in place to manage such efforts. All reporting and other requirements required by the Committees on Appropriations of both Houses of Congress for "Life Extension Programs" shall also apply to any major multi-year stockpile refurbishment activity with a total cost greater than $1,000,000,000.

Stockpile Production.—The NNSA is directed to conduct an assessment of the feasibility and costs of work leveling strategies that would reduce the impact of performing simultaneous major refurbishments in the 2020 to 2025 timeframe and to provide a report on its findings to the Committees on Appropriations of both Houses of Congress not later than 120 days after the enactment of this Act. The report shall include a description of costs to accelerate dismantlements prior to 2020 and to extend production of the W88 Alt 370 by two years.

W80-4 Life Extension Program.—Not later than September 15, 2016, the NNSA shall provide to the Committees on Appropriations of both Houses of Congress a report on the independent analysis of the alternatives selected by the NNSA for the W80-4 Life Extension Program as directed in the House report.

Strategic Materials.—The agreement provides $250,040,000 for Strategic Materials Sustainment to consolidate funding for activities needed to manage the NNSA's inventory of strategic materials, as directed in the House report. This amount includes funding for planning and other activities the NNSA determines are necessary to support the sustainment of strategic materials. The agreement does not include restrictions in the Senate report regarding Domestic Uranium Enrichment.

Advanced Radiography.—The agreement provides $45,700,000. The agreement does not include restrictions in the House report on the use of funds for new radiography capabilities at U1a. The NNSA is directed to provide an estimate of the cost to develop new radiography capabilities at U1a and detail the costs of any Major Items of Equipment in its budget request.

Inertial Confinement Fusion and High Yield.—The agreement provides $511,050,000. Within this amount, $329,000,000 shall be for the National Ignition Facility, $68,000,000 shall be for OMEGA, and $7,000,000 shall be for the Naval Research Laboratory.

U.S. DEPARTMENT OF ENERGY
Policy and International Affairs
Washington, D.C. 20585

OMB No. 1910-5154
Expiration Date: 3/31/2011
(Initial version 05/2010)

PI-588

RFS2 Small Refinery Survey 2010

INSTRUCTIONS

QUESTIONS

If you have any questions about the Small Refinery Exemption Survey after reading the instructions, please contact the Policy and International Affairs (PI) Survey Manager at (202) 586-1010 or at (202) 586-1393.

PURPOSE

The purpose of this survey is to collect information to assist in determining a small refinery's eligibility for exemption from the requirements of the RFS2 (CAA § 211(o))

WHO MUST SUBMIT

This survey is optional. Small refineries may submit data to provide technical support for a determination of disproportionate economic hardship. Each refinery should fill out a separate survey.

WHEN TO SUBMIT

This is a one-time data collection.

HOW TO SUBMIT

Instructions on how to report via facsimile, secure file transfer, or e-mail are printed on PART 2 of the survey form.

- Secure File Transfer: This form may be submitted to PI by facsimile, e-mail, or secure file transfer. Should you choose to submit your data via e-mail or facsimile, we must advise you that e-mail and facsimile are insecure means of transmission because the data are not encrypted, and there is some possibility that your data could be compromised. You can also send your Excel files to PI using a secure method of transmission: HTTPS. This is an industry standard method to send information over the web using secure, encrypted processes. (It is the same method that commercial companies use to communicate with customers when transacting business on the web.) To use this service, we recommend the use of Microsoft Internet Explorer 5.5 or later or Netscape 4.77 or later. Should you choose to use the secure file transfer method, follow the procedures in the separate Posting Instructions document.

COPIES OF SURVEY FORMS, INSTRUCTIONS AND DEFINITIONS

Copies in portable document format (PDF) and spreadsheet format (XLS) are available on the Office of Policy and International Affairs (PI's) website. You may access the materials by following the steps:

- Go to PI's website at http://www.pi.energy.gov/

Files must be saved to your personal computer. Data cannot be entered interactively on the website.

GENERAL INSTRUCTIONS

All definitions are to be construed as consistent with the Energy Information Administration's Form EI-810, "Monthly Refinery Report," EIA-815, "Monthly Bulk Terminal and Blender Report," and EI-28, "Financial Reporting System," and other forms as appropriate.

Renewable Identification Numbers (RINs) are construed as defined by EPA here. Other definitions of petroleum products and terms are available on the EIA website www.eia.doe.gov . A Glossary of terms used in the EI-28 is also available, with additional terms here. Please refer to these definitions before completing the survey form.

PART 1. RESPONDENT IDENTIFICATION DATA

- Enter the 3 digit number you received with the survey form. If you do not have a number, submit your report leaving this field blank. PI will advise you of the number.
- Enter the name of the reporting company.
- Enter the Doing Business As "DBA" name if appropriate.
- Enter the refinery site name.
- Enter the Terminal Control Number (TCN) used for identification of terminals and other facilities in the IRS ExSTARS system.
- Enter the physical address of the reporting company.
- Enter the mailing address of the Contact. (Note: If the physical address and mailing address are the same, provide the information only for the physical address.)
- Enter the name, telephone number, facsimile number, and e-mail address of the person to contact concerning information shown on the report. The person listed should be the person most knowledgeable of the specific data reported.

PART 2. SUBMISSION/RESUBMISSION INFORMATION

Submission

Refer to "How to Submit" section for more details or methods for submitting data.

Resubmission

A resubmission is required whenever an error greater than

5 percent of the true value is discovered by a respondent or if requested by PI.

Enter "X" in the resubmission box if you are correcting information previously reported.

Identify only those data cells and lines which are affected by the changes. You are not required to file a complete form when you resubmit, but be sure to complete the ID number and contact information.

SPECIFIC INSTRUCTIONS

PART 3. FINANCIAL HEALTH OF THE REFINERY

Do not report the data elements in this Part if you are a public company and the data are publicly available. Note where to locate the data items you did not report in the comments.

Balance Sheet Items

All values in thousands of dollars unless otherwise stated.

All balance sheet items are to be reported at the company level.

Start of Fiscal Year (3.01). Report the month the fiscal year started in 2007, 2008, 2009.

Cash and marketable securities. (3.1) Report available cash and marketable securities at the end of the fiscal year 2007, 2008 and 2009.

Current liabilities (3.2) Report current liabilities, defined as debt or obligations (including long term debt interest) due within one year at the end of the fiscal year 2007, 2008 and 2009.

Long Term Debt (3.3) Report long term debt, defined as debt due over a horizon longer than one year at the end of the fiscal year 2007, 2008 and 2009.

Statement of Income

All Statement of Income items are to be reported at the refinery level.

Report for fiscal year 2007, 2008 and 2009 unless otherwise stated.

All values in thousands of dollars unless otherwise stated.

Capital Expenditures (3.4). Report capital expenditures for the fiscal years 2007, 2008 and 2009.

Yearly operating expenditures (3.5). Report annual operational expenditures for the fiscal years 2007, 2008 and 2009.

Gross Refining Margin (dollars per barrel) (3.6) Report the difference between the revenue from the sale of petroleum products (e.g., motor gasoline) and the refinery acquisition cost of the raw materials (e.g., crude oil) used to produce the products.

Net Refinery Margin (dollars per barrel) (3.7) Report the difference between the gross refining margin and the costs of producing and selling the petroleum products (e.g., refining energy costs and selling costs). The net margin measures before-tax cash earnings from the production and sale of refined products. The net margin excludes peripheral activities such as non-petroleum product sales at convenience stores.

Comments on Balance Sheet (3.8). Report any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship.

Comments on Statement of Income (3.9). Report any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship.

Cost of Capital

All values in thousands of dollars unless otherwise stated

All Cost of Capital items are to be reported at the company level.

Current Debt/equity ratio (3.10): Report the current debt/equity ratio (fraction).

Current weighted average cost of capital (3.11). Report your weighted average cost of capital for capital expenditures (percent).

Internal Rate of Return (IRR): (3.12) Report the current required rate of return .

Anticipated cost of incremental capital (3.13). Report based on current market conditions, your weighted average cost of capital for anticipated capital expenditures (percent).

Anticipated cost of financing incremental operational expenditures. (3.14). Report based on current market conditions, your interest rate for anticipated incremental working capital (percent).

Credit rating (3.15). Report yes if the company has a credit rating by a NRSRO (e.g. Moody's).

Name of Credit Rating Company (3.16). Report the name of the credit rating company, if available.

Credit Rating (3.17). Report the rating, if available.

Debt restriction or covenants (3.18). If financing is required for future projects related to compliance with Renewable Fuel Standard (RFS) program, **report** any debt loan covenants that may pose restrictions on borrowing.

Anticipated cash flow or credit issues (3.19): Report any anticipated cash flow or credit issues (such as loan covenants) that may present problems for compliance with the Renewable Fuel Standard (RFS) program

Historical Capital Improvements: Report percent of capital expenditures over last three years for:

(3. 20) Required environmental projects

(3.21) Required Safety projects

Use of internal funds for historical capital improvements (3.22). Report the percent of historical capital improvements in (3.20 – 3.21) funded through internal funds.

Future environmental projects: Report anticipated capital expenditures over next three years for:

(3.23) Low (and ultra-low) sulfur diesel

(3.24) Low sulfur gasoline

(3.25) MSAT2

(3.26) Consent decrees

(3.27) Other

Use of internal funds for future capital improvements (3.28). Report the percent of anticipated capital improvements in (3.23 – 3.27) to be funded through internal funds.

Funds for future capital improvements (3.29). Report the amount (in thousand dollars) of all anticipated capital improvements over next three years.

Part 4. Market Compliance

All values in thousands of dollars unless otherwise stated.

All Market Compliance items are to be reported at the refinery level.

Owned or controlled facilities (4.1). Report Yes if any owned or controlled facilities capable of blending renewable fuels. If there are multiple facilities provide details of (4.2 – 4.8) in the comment section (4.19)

(4.2) Report total 2009 average daily gasoline net input (thousands of barrels per day, defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal)

(4.3) Report total 2009 average daily diesel net inputs of transportation fuels (thousands of barrels per day). The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

(4.4) Report total 2009 average daily ethanol blended (thousands of gallons per day).

.

(4.5) Report total 2009 average daily biomass-based diesel blended (thousands of gallons per day). Biomass-based diesel includes both biodiesel and renewable diesel.

(4.6) Report In-service dates.

(4.7) Report Total cost for all facilities.

(4.8) Report number of months needed to construct facility(s) to allow blending by project.

Expenditures required to develop blending capability. Report dollar value of facilities necessary to develop sufficient blending capability to meet the 2011 Renewable Volume Obligation listed below.

(4. 9) Modify refining operations

(4. 10) Modify terminal or blending operations

(4.11) Modify reporting and accounting operations to include RINS. Specify this cost in cents/RIN (amortized for any capital expenditures such as computer systems).
(4.12) Estimate number of months needed to construct facility(s) to allow blending by project.

RINS generated through blending (4.13). Report number of RINS (in thousands) separated through blending renewable fuels in 2009.

Gasoline Blendstock produced. (4.14) Report total gasoline blendstock (thousands of barrels per day) anticipated to be produced in 2011.

Diesel Blendstock produced. (4.15) Report total diesel blendstock (thousands of barrels per day) anticipated to be produced in 2011.

Competitive pricing (4.16) Report Yes if you believe that if your refinery blended renewable fuels, it would you be able to price the renewable fuels competitively with other conventional fuels in the market.

Comment on competitive price (4.17). Comment on ability for competitive pricing of renewable fuels (4.16) describe above.

State and local restrictions (4.18). Report any state or local restrictions that would impede either blending renewable fuels or maintaining ownership of the generated RINS.

Comment on multiple constructed facilities (4.19). **Report** any additional data on cost and construction time of facilities listed in (4.1 – 4.12).

Part 5. Market Issues

All Market Issues items are to be reported at the refinery level.

Gasoline Blendstock produced. (5.1) Report total gasoline blendstock (thousands of barrels per day, defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal) produced at your refinery that could accept renewable fuels (i.e. ethanol) in 2007, 2008, and 2009.

Diesel produced. (5.2) Report total diesel blendstock (thousands of barrels per day) produced at your refinery that could accept renewable fuels in 2007, 2008, and 2009.

Share of supply for gasoline (5.3) Report your market share (in percent) of gasoline supplied in your primary market in 2007, 2008, and 2009.

Description of gasoline market (5.4) Define your primary market consistent with (5.3). Examples are a city, metropolitan area, or a maximum distance from the supply point.

Share of supply for diesel (5.5) Report your market share (in percent) of transportation diesel fuels supplied in your primary market in 2007, 2008, and 2009. The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

Description of diesel market (5.6) Define your primary market for diesel consistent with (5.5). Examples are a city, metropolitan area, or a maximum distance from the supply point.

Contractual arrangements (5.7) Report the number (in thousands of RINS) and share (percent) of (5.1) of any contracts in which you sell gasoline and retained the RINS separated 2009.

Contractual arrangements (5.8) Report the number (in thousands of RINS) and share (percent) of (5.2) of any contracts in which you sell diesel and retained the RINS separated in 2009

Sales for resale of gasoline (5.9) Report the share (percent of (5.1)) of sales to resellers in 2007, 2008, and 2009.

Sales for resale of transportation diesel (5.10) Report the share (percent of (5.2)) of sales to resellers of transportation diesel in 2007, 2008, and 2009. The term 'transportation fuel' means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

Pipeline sales of gasoline (5.11) Report the volume (in thousands of barrels per day) and share (percent of (5.1)) of pipeline sales (sales where custody changes at the refinery gate or pipeline) through common carrier pipelines in 2007, 2008, and 2009.

Pipeline sales of diesel (5.12) Report the volume (in thousands of barrels per day) and share (percent of (5.1)) of pipeline sales (sales where custody changes at the refinery gate or pipeline) through common carrier pipelines in 2007, 2008, and 2009.

Retail sales of gasoline (5.13) Report the share (percent of (5.1)) of retail sales through your company-owned (including lessee-dealers) or operated retail outlets in 2007, 2008, and 2009.

Retail sales of diesel (5.14) Report the share (percent of (5.1)) of retail sales through your company-owned (including lessee-dealers) or operated retail outlets in 2007, 2008, and 2009.

Comments (5.15): Report any additional information for Part 5.

PROVISIONS REGARDING CONFIDENTIALITY OF INFORMATION

The information reported on this form will be protected and not disclosed to the public to the extent that it satisfies the criteria for exemption under the Freedom of Information Act (FOIA), 5 U.S.C. §552, the DOE regulations, 10 C.F.R. §1004.11, implementing the FOIA, and the Trade Secrets Act, 18 U.S.C. §1905.

The Federal Energy Administration Act requires the DOE to provide company-specific data to other Federal agencies when requested for official use. The information reported on this form may also be made available, upon request, to another component of the Department of Energy (DOE); to any Committee of Congress, the Government Accountability Office, or other Federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used for any nonstatistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

Disclosure limitation procedures are not applied to the statistical data published from this survey's information. Thus, there may be some statistics that are based on data from fewer than three respondents, or that are dominated by data from one or two large respondents. In these cases, it may be possible for a knowledgeable person to estimate the information reported by a specific respondent.

Company specific data are also provided to other DOE offices for the purpose of examining specific petroleum operations in the context of determining compliance costs with the RFS2 program.

The data collected on Form PI-588, "RFS2 Small Refinery Survey 2010" are used to report aggregate statistics on and conduct analyses of the operation of U.S. petroleum refineries.

FILING FORMS WITH THE FEDERAL GOVERNMENT AND ESTIMATED REPORTING BURDEN

Respondents are not required to file or reply to any Federal collection of information unless it has a valid OMB control number. This is a one time survey. Public reporting burden for this collection of information is estimated to average 15 hours per response. This includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden to: Policy and International and Affairs, PI-42, 1000 Independence Avenue, S.W., Washington, D.C. 20585; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

This form may be submitted to DOE by fax, e-mail, or secure file transfer. Should you choose to submit your data via e-mail, we must advise you that e-mail is an insecure means of transmission because the data are not encrypted, and there is some possibility that your data could be compromised. You can also send your Excel files to DOE using a secure method of transmission: HTTPS. This is an industry standard method to send information over the web using secure, encrypted processes. (It is the same method that commercial companies communicate with customers when transacting business on the web.) To use this service, we recommend the use of Microsoft Internet Explorer 5.5 or later or Netscape 4.77 or later.

U.S. DEPARTMENT OF ENERGY

OMB No. 1910-5154

Expiration Date: 3/31/2011

Version NO. 2010.01

FORM PI-588

RFS2 SMALL REFINERY SURVEY 2010

Section 211(o)(9)(A)(ii) of the Clean Air Act, as amended by the Energy Policy Act of 2005 (EPACT 2005), requires that the Department of Energy (DOE) conduct a study for the Administrator of the Environmental Protection Agency (EPA) assessing whether the renewable fuel standard (RFS) would impose a "disproportionate economic hardship" on small refineries, This optional survey allows respondents to submit data that will provide technical support for a determination of disproportionate economic hardship. **Title 18 USC 1001 makes it a criminal offense for any person knowingly and willingly makes to any Agency or Department of the United States any false, fictitious, or fraudulent statements as to any matter within its jurisdiction.**

Part 1. RESPONDENT IDENTIFICATION DATA

ID NUMBER: ____________

Company Name: ____________

Doing Business as: ____________

Site name: ____________

Terminal Control Number: ____________

Physical Address of Contact (e.g. Street Address, Building Number, Floor, Suite): ____________

____

City: ________ **State:** ________ **Zip:**______ - ________

Mailing Address of Contact (e.g., PO Box, RR): If the physical and mailing address are the same, only complete the physical address.

____

City: ________ **State:** ________ **Zip:**______ - ________

Contact Name: ____________

Phone No.: ____________

Fax No.: ____________

Email address: ____________

Part 2. SUBMISSION/RESUBMISSION INFORMATION

If this is a resubmission, enter an "X" in the box: [ ]

A completed form must be received by October 25, 2010.

Forms may be submitted using one of the following methods:

Secure File Transfer:
Should you choose to use the secure file transfer method, use the PI-588 Posting Instructions and the user name and password included in the cover letter. Contact the survey manager if needed.

Email: SBR@hq.doe.gov

Fax: **(202) 586-5391**

Questions?	**Call: 202 586 1393**	**Tom White**
	202 586 1010	**Pete Whitman**

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	Part 3. Financial Health of the Refinery			
	Balance Sheet - Corporate Level			
		2007	2008	2009
3.01	What month did your fiscal year start in 2007,2008 and 2009?			
3.1	How much cash and marketable securities did you have at the end of the fiscal year 2007, 2008 and 2009?			
3.2	How much were your Current Liabilities at the end of fiscal year 2007,2008 and 2009?			
3.3	How much did you owe in long term debt at the end of fiscal year 2007, 2008 and 2009?			
	Statement of Income - Refinery Level			
3.4	What were your yearly Capital Expenditures in 2007, 2008 and 2009?			
3.5	What were your yearly Operational Expenditures in the fiscal year 2007, 2008 and 2009?			
3.6	What was your Gross Refining Margin in dollars per barrel for the fiscal year 2007, 2008 and 2009?			
3.7	What was your Net Refining Margin in dollars per barrel in fiscal year 2007, 2008 and 2009?			
3.8	Are there any items on your Balance Sheet that you judge to be noteworthy with regards to claiming disproportionate economic hardship? Please provide comments below.			
3.9	Are there any items on your Statement of Income that you judge to be noteworthy with regards to claiming disproportionate economic hardship? Please provide comments below.			

	Cost of Capital - Corporate Level	
3.10	What is your current Debt/Equity Ratio?	
3.11	What is your current Weighted Average Cost of Capital?	
3.12	What is your Internal Rate of Return (IRR) on projects?	
	If financing is required for future projects related to purchasing or holding RINs, estimate the cost (interest rate) of:	
3.13	Capital Expenditures	
3.14	Operational Expenditures	
3.15	Do you have a credit rating with a rating agency? YES or NO	
	If YES, provide:	
3.16	Name of rating agency	
3.17	Current credit rating	
3.18	If financing is required for future projects related to purchasing, separating, or holding RINs, are there any debt loan covenents that may pose restrictions on borrowing? Please specify below.	
3.19	Do you anticipate any cash flow or credit issues related to purchasing, separating, or holding RINs? Please specify below.	

	Previous Projects - Corporate Level			
	What percent of Capital Expenditures over the last three years have been for:	2007	2008	2009
3.20	Environmentally required projects?			
3.21	Required safety projects?			
3.22	What percent of these projects were financed through internally generated cash flow?			

	Future Projects - Corporate Level			
	Estimate the dollar value you plan to spend on Capital Expenditures over the next three years on environmentally required projects:	2010	2011	2012
3.23	Ultra Low sulfur diesel			
3.24	Low sulfur gasoline			
3.25	Control of Hazardous Air Pollutants From Mobile Sources (MSAT2)			
3.26	Consent Decree			
3.27	Other			
3.28	What percent of these projects will be financed through internally generated cash flow?			
3.29	What is the estimated budget for Capital Expenditures over the next three years?			

Part 4. Cost of RFS2 Compliance - Refinery Level

4.1	Do you currently own a facility capable of blending renewable fuels? YES or NO. If YES, answer the following questions:		
	Type of facility	Refinery Rack	Terminal
4.2	If you answered YES, state the average annual net input of gasoline blendstock (thousands of barrels per day).		
4.3	If you answered YES, state the average annual net input of diesel (thousands of barrels per day) .		
4.4	If you answered YES, state the annual volume of ethanol (thousands of gallons per day) blended.		
4.5	If you answered YES, state the annual volume of biomass based diesel (thousands of gallons per day) blended.		
4.6	If you answered YES, please state the in-service date.		
4.7	If you answered YES, please estimate the cost of building the facility, in thousands of dollars.		
4.8	If you answered YES, please estimate the length of time it took to construct the facility. Use Comment section in 4.17 for additional space.		
	Estimate the dollar value of expenditures needed to change refinery operations for RFS2 compliance in 2011?		
4.9	Cost of modifying refinery operations.		
4.10	Cost of modifying terminal or rack blending operation.		
4.11	Cost to maintain RIN records, and/or purchase RINS in cents/RIN. Provide the RIN transaction cost (not the cost of RINS).		
4.12	Please estimate the length of time it will take to construct the facilities. Use Comment section in 4.17 for additional space.		
4.13	How many RINS did you separate through blending in 2009?		
	How much transportation fuel subject to RFS2 compliance will you produce in 2011?		Volume (thousand barrels per day)
4.14	Gasoline (defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal)		
4.15	Diesel		
	How does the introduction of renewable fuels into the transportation fuel mix change your competitive position?		
4.16	If the introduction of renewable fuels changes your competitive position, place X in box. Please provide reasons and comments below.		
4.17			
4.18	Please list any state or local regulations that may impede your ability to sell renewable fuels. Provide comments in text box below.		
4.19	Additional comment section for questions (4.1-4.10)		

Part 5. Market Share - Refinery Level

		2007	2008	2009
	How much of the transportation fuel produced at your refinery could accept renewable fuels (i.e. ethanol, biomass diesel) and then be sold as a finished product in 2007, 2008, and 2009? Please indicate the quantity of:			
5.1	Gasoline (defined as all gasoline and gasoline blendstocks subject to your RFS2 compliance goal)			
5.2	Diesel			

What is your share of supply in your primary market for retail gasoline sales? Please indicate your primary market, and your market share for the years 2007, 2008, and 2009. Provide a description in the comment section below (5.4).

		2007	2008	2009
5.3	Market Share			
5.4				

What is your share of supply in your primary market for retail diesel sales? Please indicate your primary market, and your market share for the years 2007, 2008, and 2009. Provide a description in the comment section below (5.6).

		2007	2008	2009
5.5	Market Share			
5.6				

Provide the RINS generated through sale of products via contractual agreements and the share of your gasoline and diesel sold through contractual agreements in 2009.

		RINS	Share
5.7	Gasoline		
5.8	Diesel		

	What is your share of the market for sales to resellers? Please provide the share of volume sold in 2007, 2008, and 2009.	2007	2008	2009
5.9	Gasoline			
5.10	Diesel			

	What share of your product is sold into common carrier product pipelines? Please provide the share of volume sold in 2007, 2008, and 2009.	2007	2008	2009
5.11	Gasoline			
5.12	Diesel			

	What share of your product is sold through company owned retail outlets (include lessee-dealers) ? Please provide the share of volume sold in 2007, 2008, and 2009.	2007	2008	2009
5.13	Gasoline			
5.14	Diesel			

For additional comments use the following comment section.

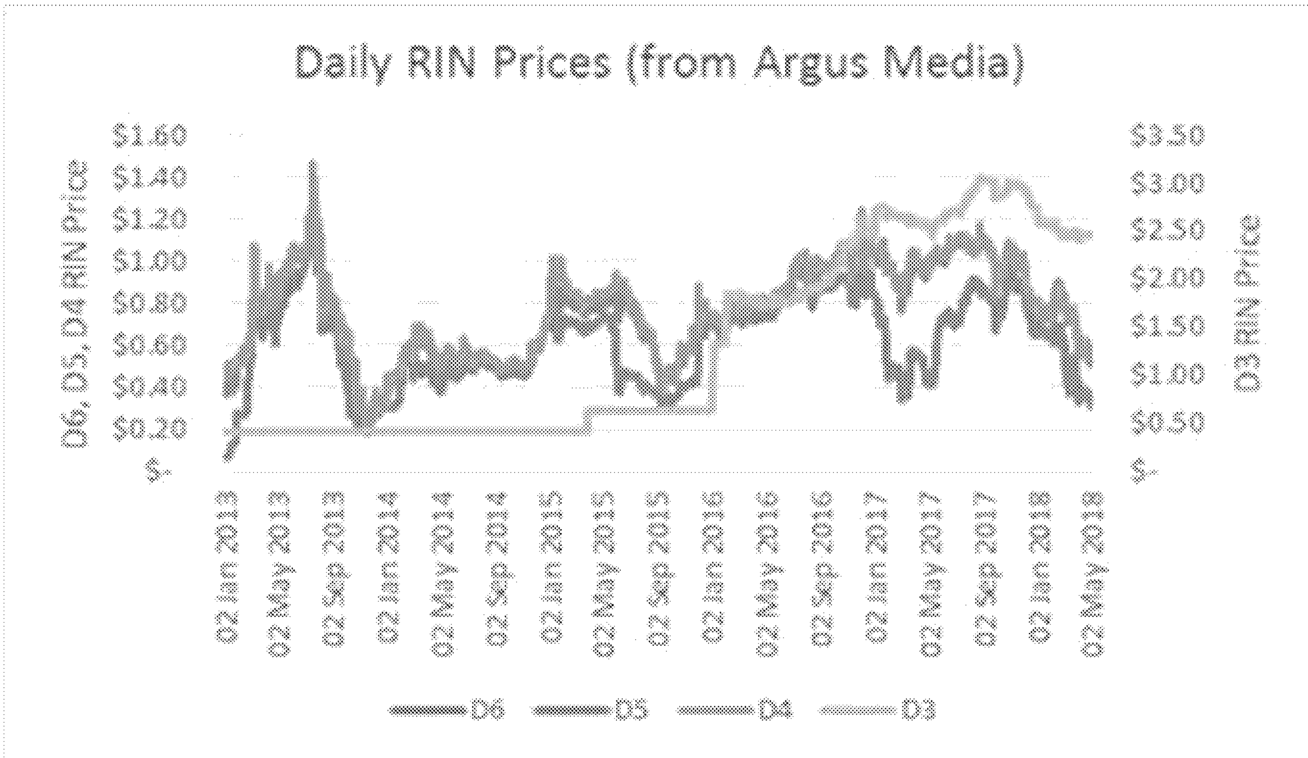
5.15

Small Refinery Exemption Eligibility and Decisions

	2007-2010	2011-2012	2013	2014	2015	2016	2017[f]
Eligible[a]	59	-	-	-	-	38	tbd
Grant	59[b]	24	8	6	4	19	25
Deny	n/a	8	7	6	9	1[g]	
Other	n/a	0	1[d]	0	1[e]		
Total Petitions	n/a	32[c]	16	12	14	20	30 to date

a- The number of small refineries eligible to petition has decreased since the RFS program was created because of consolidation, acquisition, cessation of transportation fuel production, etc.
b- Statute (CAA 211(o)(9)(A)(i)) exempted all small refineries through 2010
c- Includes refineries that participated through DOE survey (CAA 211(o)(9)(A)(ii)) and through petition to EPA
d- Petition withdrawn
e- Petition deemed ineligible
f- To date
g- Decision challenged; case pending in Fourth Circuit Court of Appeals

RIN Price Information



	D6			D5			D4			D3		
	Low	High	Average	Low	High	Average	Low	High	Average	Low	High	Average
2013	$ 0.07	$ 1.45	$ 0.60	$ 0.22	$ 1.47	$ 0.70	$ 0.22	$ 1.46	$ 0.73	$ 0.42	$ 0.42	$ 0.42
2014	$ 0.30	$ 0.75	$ 0.48	$ 0.38	$ 0.76	$ 0.54	$ 0.43	$ 0.77	$ 0.56	$ 0.42	$ 0.42	$ 0.42
2015	$ 0.29	$ 0.88	$ 0.55	$ 0.37	$ 0.96	$ 0.70	$ 0.38	$ 1.02	$ 0.75	$ 0.42	$ 0.64	$ 0.59
2016	$ 0.63	$ 1.09	$ 0.82	$ 0.69	$ 1.24	$ 0.89	$ 0.70	$ 1.25	$ 0.91	$ 1.33	$ 2.65	$ 1.93
2017	$ 0.34	$ 0.99	$ 0.70	$ 0.77	$ 1.16	$ 0.99	$ 0.78	$ 1.18	$ 1.01	$ 2.45	$ 3.05	$ 2.78
2018	$ 0.31	$ 0.71	$ 0.52	$ 0.51	$ 0.89	$ 0.71	$ 0.54	$ 0.91	$ 0.73	$ 2.40	$ 2.61	$ 2.51

Blendwall Summary

Year	E10 Blendwall (Billion gallons)	**Implied D6 Volume (Billion gallons)**	SRE Grants (Billion RINs)	SRE Implied D6 Grants (Billion RINs)	**Implied D6 Volume After SRE (Billion RINs)**
2013	13.44	**13.8**	0.19	0.16	**13.64**
2014	13.67	**13.61**	0.21	0.18	**13.43**
2015	14.07	**14.05**	0.29	0.24	**13.81**
2016	14.29	**14.5 (vol remanded)**	0.79	0.63	**13.87**
2017	14.30	**15**	1.82	1.42	**13.58**
2018	14.29	**15**	tbd	tbd	tbd
2019 (proj.)	14.29	**15**	tbd	tbd	tbd
2020 (proj.)	14.33	**15**	tbd	tbd	tbd

Near or Above Blendwall	= within 0.2 billion of blendwall
Well Below Blendwall	= more than 0.2 billion below the blendwall

EPA Staff Draft - Deliberative

EPA Small Refinery Hardship Decisions						
	2013	2014	2015	2016	2017	2018
Total Grants	8	8	7	19	35	tbd
Total Denials	7	5	6	0	0	tbd
Total Exempted RVO (Billion RINs)	0.19	0.21	0.29	0.79	1.83	tbd
DOE Recommendations						
Total 100% Recommendations	8	5	4	5	7	10
Total 50% Recommendations	n/a	6	8	13	28	21
Total 0% Recommendations	7	2	1	2	1	6

Table 25. Imports of Crude Oil and Petroleum Products by PAD District, 2017
(Thousand Barrels, Except Where Noted)

Commodity	PAD Districts					U.S. Total	
	1	2	3	4	5	Total	Daily Average
Crude Oil[1,2]	**342,922**	**869,381**	**1,131,736**	**97,061**	**467,570**	**2,908,670**	**7,969**
Hydrocarbon Gas Liquids	**18,025**	**31,144**	**4,286**	**4,768**	**13,204**	**71,427**	**196**
Natural Gas Liquids	14,002	25,880	2,733	4,768	13,202	60,585	166
Ethane	–	–	–	–	–	–	–
Propane	12,627	20,971	14	4,458	10,536	48,606	133
Normal Butane	550	2,350	–	101	2,503	5,504	15
Isobutane	825	2,508	30	209	163	3,735	10
Natural Gasoline	–	51	2,689	–	–	2,740	8
Refinery Olefins	4,023	5,264	1,553	–	2	10,842	30
Ethylene	–	–	–	–	–	–	–
Propylene	4,016	4,391	–	–	2	8,409	23
Butylene	7	873	1,553	–	–	2,433	7
Isobutylene	–	–	–	–	–	–	–
Other Liquids	**222,351**	**4,396**	**182,074**	**419**	**62,544**	**471,784**	**1,293**
Hydrogen/Oxygenates/Renewables/Other Hydrocarbons	6,399	543	5,670	53	7,113	19,778	54
Hydrogen	–	–	–	–	–	–	–
Oxygenates (excluding Fuel Ethanol)	–	–	3,835	–	–	3,835	11
Methyl Tertiary Butyl Ether (MTBE)	–	–	2,107	–	–	2,107	6
Other Oxygenates[3]	–	–	1,728	–	–	1,728	5
Renewable Fuels (including Fuel Ethanol)	6,397	428	1,716	53	7,113	15,707	43
Fuel Ethanol	100	–	–	–	1,724	1,824	5
Biomass-Based Diesel Fuel	6,297	428	1,716	53	880	9,374	26
Other Renewable Diesel Fuel	–	–	–	–	4,509	4,509	12
Other Renewable Fuels	–	–	–	–	–	–	–
Other Hydrocarbons	2	115	119	–	–	236	1
Unfinished Oils[1]	23,903	123	162,676	–	44,776	231,478	634
Naphthas and Lighter	4,627	–	3,673	–	1,244	9,544	26
Kerosene and Lighter Gas Oils	–	–	1,193	–	–	1,193	3
Heavy Gas Oils	14,047	123	118,959	–	37,538	170,667	468
Residuum	5,229	–	38,851	–	5,994	50,074	137
Motor Gasoline Blend.Comp. (MGBC)	192,049	3,730	13,728	366	10,655	220,528	604
Reformulated - RBOB	76,360	320	–	–	268	76,948	211
Conventional	115,689	3,410	13,728	366	10,387	143,580	393
CBOB	10,004	369	–	–	5,154	15,527	43
GTAB	29,994	–	983	–	161	31,138	85
Other	75,691	3,041	12,745	366	5,072	96,915	266
Aviation Gasoline Blend. Comp.	–	–	–	–	–	–	–
Finished Petroleum Products	**119,325**	**9,420**	**61,650**	**1,394**	**58,970**	**250,759**	**687**
Finished Motor Gasoline	9,374	–	1,187	–	1,223	11,784	32
Reformulated	–	–	–	–	–	–	–
Reformulated Blended with Fuel Ethanol	–	–	–	–	–	–	–
Reformulated Other	–	–	–	–	–	–	–
Conventional	9,374	–	1,187	–	1,223	11,784	32
Conventional Blended with Fuel Ethanol	–	–	–	–	–	–	–
Ed55 and Lower	–	–	–	–	–	–	–
Greater than Ed55	–	–	–	–	–	–	–
Conventional Other	9,374	–	1,187	–	1,223	11,784	32
Finished Aviation Gasoline	75	39	–	13	38	165	0
Kerosene-Type Jet Fuel	23,650	5	175	106	34,337	58,273	160
Bonded Aircraft Fuel	2,823	–	–	–	10,867	13,690	38
Other	20,827	5	175	106	23,470	44,583	122
Kerosene	1,374	–	–	–	55	1,429	4
Distillate Fuel Oil	44,453	673	4,487	761	4,601	54,975	151
15 ppm sulfur and under	31,118	584	–	761	4,549	37,012	101
Bonded	–	–	–	–	–	–	–
Other	31,118	584	–	761	4,549	37,012	101
Greater than 15 ppm to 500 ppm sulfur	759	–	–	–	–	759	2
Bonded	–	–	–	–	–	–	–
Other	759	–	–	–	–	759	2
Greater than 500 ppm to 2000 ppm sulfur	12,108	12	2,792	–	52	14,964	41
Bonded	–	–	–	–	–	–	–
Other	12,108	12	2,792	–	52	14,964	41
Greater than 2000 ppm	468	77	1,695	–	–	2,240	6
Bonded	–	–	–	–	–	–	–
Other	468	77	1,695	–	–	2,240	6
Residual Fuel Oil	27,391	956	24,551	–	16,117	69,015	189
Less than 0.31 percent sulfur	1,209	–	2,903	–	–	4,112	11
0.31 to 1.00 percent sulfur	3,656	543	1,594	–	1,502	7,295	20
Greater than 1.00 percent sulfur	22,526	413	20,054	–	14,615	57,608	158
Petrochemical Feedstocks	305	1,772	13,177	–	442	15,696	43
Naphtha for Petro. Feed. Use	305	893	9,765	–	410	11,373	31
Other Oils for Petro. Feed. Use	–	879	3,412	–	32	4,323	12
Special Naphthas	–	537	4,823	–	45	5,405	15
Lubricants	2,467	2,320	9,927	1	186	14,901	41
Waxes	837	57	417	–	413	1,724	5
Petroleum Coke (Marketable)	217	265	2,864	–	316	3,662	10
Asphalt and Road Oil	9,182	2,790	–	500	1,194	13,666	37
Miscellaneous Products	–	6	42	13	3	64	0
Total	**702,623**	**914,341**	**1,379,746**	**103,642**	**602,288**	**3,702,640**	**10,144**

– = No Data Reported.

1 Crude oil and unfinished oils are reported by the PAD District in which they are to be processed; all other products are reported by the PAD District of entry.

2 Includes crude oil imported for storage in the Strategic Petroleum Reserve.

3 Includes ethyl tertiary butyl ether (ETBE), tertiary amyl methyl ether (TAME), tertiary butyl alcohol (TBA), and other aliphatic alcohols and ethers intended for motor gasoline blending (e.g., isopropyl ether (IPE) or n-propanol).

Note: Totals may not equal sum of components due to independent rounding.

Source: Energy Information Administration (EIA) Form EIA-814, "Monthly Imports Report."

Table 19. Refinery Net Production of Finished Petroleum Products by PAD and Refining Districts, 2017
(Thousand Barrels)

Commodity	PAD District 1 - East Coast			PAD District 2 - Midwest			
	East Coast	Appalachian No. 1	Total	Indiana, Illinois, Kentucky	Minnesota, Wisconsin, North and South Dakota	Oklahoma, Kansas, Missouri	Total
Hydrocarbon Gas Liquids	11,417	91	11,508	34,622	2,140	3,904	40,666
Natural Gas Liquids	6,372	91	6,463	22,178	-148	1,643	23,673
Ethane	–	–	–	–	–	–	–
Propane	7,870	300	8,170	19,116	2,808	5,212	27,136
Normal Butane	-1,357	32	-1,325	3,347	-2,290	-2,710	-1,653
Isobutane	-141	-241	-382	-285	-666	-859	-1,810
Natural Gasoline	–	–	–	–	–	–	–
Refinery Olefins	5,045	–	5,045	12,444	2,288	2,261	16,993
Ethylene	183	–	183	–	–	–	–
Propylene	5,043	–	5,043	11,190	2,288	2,259	15,737
Butylene	-756	–	-756	1,254	–	2	1,256
Isobutylene	575	–	575	–	–	–	–
Finished Motor Gasoline	8,390	13,823	22,213	77,711	24,169	29,308	131,188
Reformulated	8,390	–	8,390	–	–	–	–
Reformulated Blended with Fuel Ethanol	8,390	–	8,390	–	–	–	–
Reformulated Other	–	–	–	–	–	–	–
Conventional	–	13,823	13,823	77,711	24,169	29,308	131,188
Conventional Blended with Fuel Ethanol	–	11,282	11,282	18,889	18,918	11,798	49,605
Ed55 and Lower	–	11,282	11,282	18,889	18,918	11,798	49,605
Greater than Ed55	–	–	–	–	–	–	–
Conventional Other	–	2,541	2,541	58,822	5,251	17,510	81,583
Finished Aviation Gasoline	–	–	–	–	586	–	586
Kerosene-Type Jet Fuel	33,755	–	33,755	72,685	10,557	11,369	94,611
Kerosene	1,240	16	1,256	634	–	109	743
Distillate Fuel Oil	111,400	8,858	120,258	222,265	56,964	118,345	397,574
15 ppm sulfur and under	95,888	7,791	103,679	222,695	56,912	118,679	398,286
Greater than 15 ppm to 500 ppm sulfur	340	833	1,173	-791	343	6	-442
Greater than 500 ppm sulfur	15,172	234	15,406	361	-291	-340	-270
Residual Fuel Oil	16,434	44	16,478	14,339	2,738	1,204	18,281
Less than 0.31 percent sulfur	3,818	38	3,856	529	–	–	529
0.31 to 1.00 percent sulfur	4,938	6	4,944	1,933	820	–	2,753
Greater than 1.00 percent sulfur	7,678	–	7,678	11,877	1,918	1,204	14,999
Petrochemical Feedstocks	1,381	–	1,381	11,129	–	221	11,350
Naphtha for Petro. Feed. Use	1,381	–	1,381	8,252	–	–	8,252
Other Oils for Petro. Feed. Use	–	–	–	2,877	–	221	3,098
Special Naphthas	–	250	250	465	–	148	613
Lubricants	2,625	2,131	4,756	–	–	2,823	2,823
Waxes	–	27	27	–	–	399	399
Petroleum Coke	12,510	223	12,733	48,356	10,510	11,389	70,255
Marketable	4,439	–	4,439	35,097	8,516	8,889	52,502
Catalyst	8,071	223	8,294	13,259	1,994	2,500	17,753
Asphalt and Road Oil	6,900	7,407	14,307	33,022	15,284	5,172	53,478
Still Gas	14,776	637	15,413	32,406	7,280	12,700	52,386
Miscellaneous Products	775	378	1,153	3,785	1,347	728	5,860
Total	**221,603**	**33,885**	**255,488**	**551,419**	**131,575**	**197,819**	**880,813**
Processing Gain(-) or Loss(+)[1]	-18,062	208	-17,854	-56,531	-14,477	-14,928	-85,936

See footnotes at end of table.

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Table 19. Refinery Net Production of Finished Petroleum Products by PAD and Refining Districts, 2017
(Thousand Barrels) — Continued

Commodity	PAD District 3 - Gulf Coast						PAD District 4 - Rocky Mountain	PAD District 5 - West Coast	U.S. Total
	Texas Inland	Texas Gulf Coast	Louisiana Gulf Coast	North Louisiana, Arkansas	New Mexico	Total			
Hydrocarbon Gas Liquids	7,933	78,093	65,029	474	453	151,982	4,893	20,342	229,391
Natural Gas Liquids	3,167	38,914	33,140	19	463	75,703	4,346	17,085	127,270
Ethane	15	1,432	511	–	–	1,958	–	–	1,958
Propane	3,733	28,297	26,644	222	519	59,415	3,495	13,748	111,964
Normal Butane	151	12,849	3,347	-203	-49	16,095	681	1,912	15,710
Isobutane	-732	-3,664	2,638	–	-7	-1,765	170	1,425	-2,362
Natural Gasoline	–	–	–	–	–	–	–	–	–
Refinery Olefins	4,766	39,179	31,889	455	-10	76,279	547	3,257	102,121
Ethylene	–	87	–	–	–	87	–	–	270
Propylene	4,784	40,161	34,407	455	–	79,807	155	3,220	103,962
Butylene	-18	-780	-2,518	–	-10	-3,326	392	37	-2,397
Isobutylene	–	-289	–	–	–	-289	–	–	286
Finished Motor Gasoline	39,443	137,304	120,172	5,168	8,805	310,892	56,263	37,356	557,912
Reformulated	–	–	–	–	–	–	–	7,282	15,672
Reformulated Blended with Fuel Ethanol	–	–	–	–	–	–	–	7,282	15,672
Reformulated Other	–	–	–	–	–	–	–	–	–
Conventional	39,443	137,304	120,172	5,168	8,805	310,892	56,263	30,074	542,240
Conventional Blended with Fuel Ethanol	24,026	5,725	20,128	3,749	6,536	60,164	33,007	3,493	157,551
Ed55 and Lower	23,972	5,725	20,128	3,749	6,536	60,110	33,007	3,493	157,497
Greater than Ed55	54	–	–	–	–	54	–	–	54
Conventional Other	15,417	131,579	100,044	1,419	2,269	250,728	23,256	26,581	384,689
Finished Aviation Gasoline	997	867	1,134	–	–	2,998	49	405	4,038
Kerosene-Type Jet Fuel	16,935	148,283	145,870	2,218	–	313,306	12,481	166,894	621,047
Kerosene	28	154	273	131	–	586	4	2	2,591
Distillate Fuel Oil	72,196	492,622	418,030	28,625	19,399	1,030,872	75,555	197,549	1,821,808
15 ppm sulfur and under	71,999	472,220	344,542	27,260	19,399	935,420	75,036	189,085	1,701,506
Greater than 15 ppm to 500 ppm sulfur	81	4,160	31,535	453	–	36,229	451	3,609	41,020
Greater than 500 ppm sulfur	116	16,242	41,953	912	–	59,223	68	4,855	79,282
Residual Fuel Oil	3,759	26,203	47,816	-1,411	1,224	77,591	4,302	41,467	158,119
Less than 0.31 percent sulfur	2,610	167	9,778	–	–	12,555	2,419	–	19,359
0.31 to 1.00 percent sulfur	–	1,529	4,030	-1,411	223	4,371	242	7,545	19,855
Greater than 1.00 percent sulfur	1,149	24,507	34,008	–	1,001	60,665	1,641	33,922	118,905
Petrochemical Feedstocks	1,498	67,328	30,528	79	–	99,433	–	34	112,198
Naphtha for Petro. Feed. Use	1,368	45,180	15,284	79	–	61,911	–	34	71,578
Other Oils for Petro. Feed. Use	130	22,148	15,244	–	–	37,522	–	–	40,620
Special Naphthas	1,025	8,638	–	2,832	–	12,495	–	330	13,688
Lubricants	263	19,857	19,267	10,551	–	49,938	–	7,453	64,970
Waxes	–	600	473	275	–	1,348	–	–	1,774
Petroleum Coke	5,334	100,121	73,105	1,799	498	180,857	9,378	55,947	329,170
Marketable	2,464	77,274	57,089	1,621	–	138,448	6,473	43,351	245,213
Catalyst	2,870	22,847	16,016	178	498	42,409	2,905	12,596	83,957
Asphalt and Road Oil	2,678	4,311	11,325	10,139	418	28,871	13,397	9,549	119,602
Still Gas	9,452	68,271	50,250	1,843	894	130,710	8,653	44,599	251,761
Miscellaneous Products	1,354	12,085	7,060	198	359	21,056	1,318	5,118	34,505
Total	**162,895**	**1,164,737**	**990,332**	**62,921**	**32,050**	**2,412,935**	**186,293**	**587,045**	**4,322,574**
Processing Gain(-) or Loss(+)[1]	-9,958	-117,094	-92,135	-14	-785	-219,986	-11,387	-70,481	-405,644

– = No Data Reported.
[1] Represents the arithmetic difference between refinery input and production divided by input of crude oil, hydrogen, "other" hydrocarbons, and net input of unfinished oils.
Note: Refer to Appendix A for Refining District descriptions.
Source: Energy Information Administration (EIA) Form EIA-810, "Monthly Refinery Report."

Table 21. Blender Net Production of Petroleum Products by PAD Districts, 2017
(Thousand Barrels)

Commodity	PAD District 1 - East Coast			PAD District 2 - Midwest			
	East Coast	Appalachian No. 1	Total	Indiana, Illinois, Kentucky	Minnesota, Wisconsin, North and South Dakota	Oklahoma, Kansas, Missouri	Total
Finished Motor Gasoline	1,080,572	74,922	1,155,494	538,152	107,731	167,030	812,913
Reformulated	463,236	1,697	464,933	101,389	18,071	13,520	132,980
Reformulated Blended with Fuel Ethanol	463,236	1,697	464,933	101,389	18,071	13,520	132,980
Reformulated Other	–	–	–	–	–	–	–
Conventional	617,336	73,225	690,561	436,763	89,660	153,510	679,933
Conventional Blended with Fuel Ethanol	654,031	73,361	727,392	456,701	98,627	157,523	712,851
Ed55 and Lower	653,592	73,361	726,953	456,605	98,348	156,860	711,813
Greater than Ed55	439	–	439	96	279	663	1,038
Conventional Other	-36,695	-136	-36,831	-19,938	-8,967	-4,013	-32,918
Finished Aviation Gasoline	–	–	–	–	–	–	–
Kerosene-Type Jet Fuel	85	–	85	-64	-7	-5	-76
Kerosene	-18	–	-18	–	–	–	–
Distillate Fuel Oil	1,508	483	1,991	2,391	822	741	3,954
15 ppm sulfur and under	616	483	1,099	2,391	822	737	3,950
Greater than 15 ppm to 500 ppm sulfur	-31	0	-31	–	–	1,173	1,173
Greater than 500 ppm sulfur	923	–	923	–	–	-1,169	-1,169
Residual Fuel Oil	-104	–	-104	-31	–	-183	-214
Less than 0.31 percent sulfur	-150	–	-150	–	–	–	–
0.31 to 1.00 percent sulfur	20	–	20	–	–	–	–
Greater than 1.00 percent sulfur	26	–	26	-31	–	-183	-214
Special Naphthas	–	–	–	–	–	–	–
Lubricants	–	–	–	–	–	–	–
Asphalt and Road Oil	45	–	45	500	9	191	700
Miscellaneous Products	–	–	–	–	–	–	–
Total Production	**1,082,088**	**75,405**	**1,157,493**	**540,948**	**108,555**	**167,774**	**817,277**
Processing Gain(-) or Loss(+)[1]	4	4	8	42	1	-6	37

Commodity	PAD District 3 - Gulf Coast						PAD District 4 - Rocky Mountain	PAD District 5 - West Coast	U.S. Total
	Texas Inland	Texas Gulf Coast	Louisiana Gulf Coast	North Louisiana, Arkansas	New Mexico	Total			
Finished Motor Gasoline	207,490	139,282	33,810	108,832	12,963	502,377	57,132	547,295	3,075,211
Reformulated	89,596	79,252	–	–	–	168,848	–	404,671	1,171,432
Reformulated Blended with Fuel Ethanol	89,596	79,252	–	–	–	168,848	–	404,671	1,171,432
Reformulated Other	–	–	–	–	–	–	–	–	–
Conventional	117,894	60,030	33,810	108,832	12,963	333,529	57,132	142,624	1,903,779
Conventional Blended with Fuel Ethanol	120,763	15,129	33,891	117,797	13,406	300,986	73,930	162,958	1,978,117
Ed55 and Lower	120,681	15,129	33,891	117,669	13,406	300,776	73,778	162,919	1,976,239
Greater than Ed55	82	–	–	128	–	210	152	39	1,878
Conventional Other	-2,869	44,901	-81	-8,965	-443	32,543	-16,798	-20,334	-74,338
Finished Aviation Gasoline	–	–	–	–	–	–	–	-6	-6
Kerosene-Type Jet Fuel	–	-213	113	–	–	-100	561	-341	129
Kerosene	–	–	20	–	–	20	–	145	147
Distillate Fuel Oil	656	-236	91	754	201	1,466	-402	5,062	12,071
15 ppm sulfur and under	656	891	91	754	201	2,593	-402	4,906	12,146
Greater than 15 ppm to 500 ppm sulfur	–	5	–	–	–	5	–	–	1,147
Greater than 500 ppm sulfur	–	-1,132	–	–	–	-1,132	–	156	-1,222
Residual Fuel Oil	–	-1,982	-12	–	–	-1,994	–	44	-2,268
Less than 0.31 percent sulfur	–	-307	–	–	–	-307	–	44	-413
0.31 to 1.00 percent sulfur	–	-298	–	–	–	-298	–	–	-278
Greater than 1.00 percent sulfur	–	-1,377	-12	–	–	-1,389	–	–	-1,577
Special Naphthas	–	–	–	–	–	–	–	–	–
Lubricants	–	–	–	–	–	–	–	–	–
Asphalt and Road Oil	–	–	168	–	–	168	–	–	913
Miscellaneous Products	–	–	–	–	–	–	–	–	–
Total Production	**208,146**	**136,851**	**34,190**	**109,586**	**13,164**	**501,937**	**57,291**	**552,199**	**3,086,197**
Processing Gain(-) or Loss(+)[1]	0	-4	12	8	4	20	35	-68	32

– = No Data Reported.
[1] Represents the arithmetic difference between refinery input and production divided by input of crude oil, hydrogen, "other" hydrocarbons, and net input of unfinished oils.
Note: Refer to Appendix A for Refining District descriptions.
Sources: Energy Information Administration (EIA) Form EIA-815, "Monthly Bulk Terminal and Blender Report."

§ 80.1441 Small refinery exemption.

(a)

(1) Transportation fuel produced at a refinery by a refiner, or foreign refiner (as defined at § 80.1465(a)), is exempt from January 1, 2010 through December 31, 2010 from the renewable fuel standards of § 80.1405, and the owner or operator of the refinery, or foreign refinery, is exempt from the requirements that apply to obligated parties under this subpart M for fuel produced at the refinery if the refinery meets the definition of a small refinery under § 80.1401 for calendar year 2006.

(2) The exemption of [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "a_1"] of this section shall apply unless a refiner chooses to waive this exemption (as described in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "f"] of this section), or the exemption is extended (as described in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "e"] of this section).

(3) For the purposes of this section, the term "refiner" shall include foreign refiners.

(4) This exemption shall only apply to refineries that process crude oil through refinery processing units.

(5) The small refinery exemption is effective immediately, except as specified in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "b_3"] of this section.

(6) Refiners who own refineries that qualified as small under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1141"] do not need to resubmit a small refinery verification letter under this subpart M. This paragraph (a) does not supersede § 80.1141.

(b)

(1) A refiner owning a small refinery must submit a verification letter to EPA containing all of the following information:

(i) The annual average aggregate daily crude oil throughput for the period January 1, 2006 through December 31, 2006 (as determined by dividing the aggregate throughput for the calendar year by the number 365).

(ii) A letter signed by the president, chief operating or chief executive officer of the company, or his/her designee, stating that the information contained in the letter is true to the best of his/her knowledge, and that the refinery was small as of December 31, 2006.

(iii) Name, address, phone number, facsimile number, and e-mail address of a corporate contact person.

(2) Verification letters must be submitted by July 1, 2010 to one of the addresses listed in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "h"] of this section.

(3) For foreign refiners the small refinery exemption shall be effective upon approval, by EPA, of a small refinery application. The application must contain all of the elements required for small refinery verification letters (as specified in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "b_1"] of this section), must satisfy the provisions of § 80.1465(f) through (i) and (o), and must be submitted by July 1, 2010 to one of the addresses listed in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "h"] of this section.

(4) Small refinery verification letters are not required for those refiners who have already submitted a complete verification letter under subpart K of this part 80. Verification letters submitted under subpart K prior to July 1, 2010 that satisfy the requirements of subpart K shall be deemed to satisfy the requirements for verification letters under this subpart M.

(c) If EPA finds that a refiner provided false or inaccurate information regarding a refinery's crude throughput (pursuant to [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "b_1_i"] of this section) in its small refinery verification letter, the exemption will be void as of the effective date of these regulations.

(d) If a refiner is complying on an aggregate basis for multiple refineries, any such refiner may exclude from the calculation of its Renewable Volume Obligations (under § 80.1407) transportation fuel from any refinery receiving the small refinery exemption under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "a"] of this section.

(e)

(1) The exemption period in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "a"] of this section shall be extended by the Administrator for a period of not less than two additional years if a study by the Secretary of Energy determines that compliance with the requirements of this subpart would impose a disproportionate economic hardship on a small refinery.

(2) A refiner may petition the Administrator for an extension of its small refinery exemption, based on disproportionate economic hardship, at any time.

(i) A petition for an extension of the small refinery exemption must specify the factors that demonstrate a disproportionate economic hardship and must provide a detailed discussion regarding the hardship the refinery would face in producing transportation fuel meeting the requirements of § 80.1405 and the date the refiner anticipates that compliance with the requirements can reasonably be achieved at the small refinery.

(ii) The Administrator shall act on such a petition not later than 90 days after the date of receipt of the petition.

(iii) In order to qualify for an extension of its small refinery exemption, a refinery must meet the definition of "small refinery" in § 80.1401 for the most recent full calendar year prior to seeking an extension and must be projected to meet the definition of "small refinery" in § 80.1401 for the year or years for which an exemption is sought. Failure to meet the definition of small refinery for any calendar year for which an exemption was granted would invalidate the exemption for that calendar year.

(f) At any time, a refiner with a small refinery exemption under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "a"] of this section may waive that exemption upon notification to EPA.

(1) A refiner's notice to EPA that it intends to waive its small refinery exemption must be received by November 1 to be effective in the next compliance year.

(2) The waiver will be effective beginning on January 1 of the following calendar year, at which point the transportation fuel produced at that refinery will be subject to the renewable fuels standard of § 80.1405 and the owner or operator of the refinery shall be subject to all other requirements that apply to obligated parties under this Subpart M.

(3) The waiver notice must be sent to EPA at one of the addresses listed in [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "h"] of this section.

(g) A refiner that acquires a refinery from either an approved small refiner (as defined under § 80.1442(a)) or another refiner with an approved small refinery exemption under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "a"] of this section shall notify EPA in writing no later than 20 days following the acquisition.

(h) Verification letters under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "b"] of this section, petitions for small refinery hardship extensions under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "e"] of this section, and small refinery exemption waiver notices under [HYPERLINK "https://www.law.cornell.edu/cfr/text/40/80.1441" \l "f"] of this section shall be sent to one of the following addresses:

(1) *For US mail:* U.S. EPA, *Attn:* RFS Program, 6406J, 1200 Pennsylvania Avenue, NW., Washington, DC 20460.

(2) *For overnight or courier services:* U.S. EPA, *Attn:* RFS Program, 6406J, 1310 L Street, NW., 6th floor, Washington, DC 20005. (202) 343-9038.

[[HYPERLINK "http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?dbname=%7b2010%7d_register&position=all&page=14863"], Mar. 26, 2010, as amended at [HYPERLINK "http://frwebgate.access.gpo.gov/cgi-bin/getpage.cgi?dbname=%7b2014%7d_register&position=all&page=42163"], July 18, 2014]

United States Senate

WASHINGTON, DC 20510

November 26, 2019

The Honorable Andrew Wheeler
Administrator, Environmental Protection Agency
1200 Pennsylvania Ave. NW
Washington, DC 20460

RE: Docket ID EPA-HQ-OAR-2019-0136-0352

Dear Administrator Wheeler:

We write to comment on the proposed supplemental rule establishing the Renewable Fuel Standard's (RFS) 2020 Renewable Volume Obligations and 2021 Biomass-Based Diesel Volumes. The RFS has proven critical to all of our states in strengthening rural and agricultural economies while helping to ensure a clean energy future. That is why we are concerned that the proposed rule fails to respond adequately to the concerns that have been raised by biofuel producers and others in rural America that depend on certainty in the marketplace.

The proposed rule determines how much biofuel is required to be blended into our transportation fuel supply on an annual basis. While we appreciate the EPA's modest increase of total renewable fuel volumes from previous years, this proposed rule fails to assure renewable fuel producers that the proposed blending targets will not be undermined by the approval of future small refinery exemptions (SREs).

The EPA has asserted publicly that 15 billion gallons of conventional biofuel will be required for the 2020 year, yet these proposed volumes fail to account for the expanded use of SREs retroactively granted by the agency. Since 2016, the Administration has granted 85 SREs, effectively waiving over 4 billion gallons of demand for biofuels.

Over the last year, the U.S. Department of Agriculture has reduced its estimates for corn used in ethanol by nearly 229 million bushels. Our farmers are already struggling due to low prices, uncertainty with access to export markets, and erratic weather events that have caused planting and harvest delays and yield losses. The continued abuse of SREs is contributing to the declining economic conditions in rural America.

On October 15, 2019, the EPA announced the details of a supplemental notice of proposed rulemaking. These highly anticipated details fell short of the solution to properly account for waived gallons that was originally promised by the President on October 4, 2019. The proposed supplemental rule fails to account for actual waived gallons by instead using a three-year rolling average of volumes that the Department of Energy (DOE) recommends. The EPA has continually exceeded the DOE's recommendations on waived gallons and there is no guarantee that this proposed rule will reopen biofuel plants and restore integrity to the program.

The biofuel industry supports hundreds of thousands of rural jobs across the country. This Administration's failure to uphold the RFS has already led to the closure or idling of more than 35 ethanol and biodiesel plants, leaving rural America further behind. To ensure certainty to the marketplace and uphold Congressional intent of the RFS, we encourage the Administration to properly account for waived gallons by using the three-year rolling average of *actual* SREs and to increase advanced biofuel volumes for the 2020 compliance year. Our environment, farmers, and rural communities depend on this corrective action.

Thank you for your consideration of our comments.

Sincerely,

Amy Klobuchar
United States Senate

Debbie Stabenow
United States Senate

Mazie K. Hirono
United States Senate

Ron Wyden
United States Senate

Tammy Duckworth
United States Senate

Tina Smith
United States Senate

Michael F. Bennet
United States Senate

Sherrod Brown
United States Senate

Dick Durbin

Richard J. Durbin
United States Senate

[SEQ CHAPTER \h \r 1]OAR Meeting Request Form

Date of this Request: 10/22/2018

Scheduling Point of Contact: Gwen Stewart

Technical Point of Contact: Susan Stahle (OGC/ARLO) – (202) 564-1272; Tia Sutton (OTAQ) – (202) 564-8929

Subject: Small Refinery Exemption Litigation

Purpose: Petitioners in the PRUITT litigation would be coming to DC to meet with Bill – this is a follow-up to a previous meeting on September 27, 2018. Participants will be:
Petitioners—
Gene Gebolys, World Energy
Shailesh Sahay, POET
Lindsay Fitzgerald, REG
Larry Schafer, Diamond Group
Sandra Franco, Franco Environmental Law
Jerry Muys, Muys & Associates
Department of Justice—
Paul Cirino, DOJ/ENRD

Next ADP Milestone:

- If applicable, due date to: OP __/__/__ (_ days review); OMB: __/__/__ (expected date of OMB clearance);
- Legal deadline: (specify court-ordered, settlement agreement, court promise, etc.) **A legal brief is due on 10/29/18**
- Other firm deadline:

First possible date for meeting: 10/29/2018
Last possible date for meeting: 10/29/2018 – this date is strongly preferred by the petitioners, and our legal brief is also due on this date

Duration: standard – one hour

Requested Audio / Video (*Mark with "X" if requested*)
_X___ **Video Location(s):** DC, Ann Arbor
List video locations needed (e.g., RTP, DC, Regions) – HQ will set up a bridge if needed
__X__ **HQ Conference Line:**
If requested, HQ staff will provide in meeting invite

Invitees (please list by Office and in Outlook format, e.g. *Last, First*):
Please include the key OGC and/or Regional representatives as appropriate. Only key invitees are listed by office; others are Cc:

Office/Org Name (*Last, First*)

OTAQ	Grundler, Christopher
OTAQ	Hengst, Benjamin
OTAQ	Sutton, Tia
OTAQ	Bunker, Byron
OTAQ	Cohen, Janet
OTAQ	Machiele, Paul
OTAQ	Burkholder, Dallas
OTAQ	Michaels, Lauren
OGC	Orlin, David
OGC	Stahle, Susan

HQ Meeting Briefing Materials: Must provide to OAR IO by 4:00pm, 1 day before meeting

United States Senate

WASHINGTON, DC 20510

April 12, 2018

The Honorable Scott Pruitt
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator Pruitt:

We are writing to you regarding the actions the Environmental Protection Agency (EPA) has taken to undermine commitments President Trump made on the Renewable Fuel Standard (RFS) to our constituents. Recent reports indicate dozens of small refiner waivers have been secretly granted to large, multi-billion-dollar companies under the guise of the small refinery hardship exemption provision in section 211(o)(9) of the Clean Air Act. This is extremely concerning to us.

During your confirmation hearing for the post of Administrator of the EPA, you said, *"Any steps that the EPA Administrator takes need to be done in such a way as to further the objectives of Congress in that statute, not undermine the objectives of Congress in that statute."* You also wrote to a number of Senators in October 2017 and said, *"I reiterate my commitment to you and your constituents to act consistent with the text and spirit of the RFS. I take seriously my responsibility to do so in an open and transparent manner that advances the full potential of this program..."*

According to recent reports, the EPA has already issued 25 "disproportionate hardship" waivers to large, multi-billion-dollar refining companies reporting billions of dollars of profits since 2016. Such action would represent a clear violation of your commitments and clearly undermine the President's long-standing support of the RFS.

These waivers fall well outside the bounds of the letter or spirit of this provision in the law, which sought to provide flexibility for the smallest of U.S. refiners, and only in cases of genuine hardship. Worse, EPA's actions are already hurting biofuel producers and farmers across the United States at a time when farm income is at the lowest levels since 2006 and retaliatory trade measures from China threaten to deepen the crisis.

In 2015, 37 Senators wrote to the EPA requesting that the agency issue a strong Renewable Volume Obligation (RVO), citing the RFS's success in driving economic development, strengthening agriculture markets, and creating hundreds of thousands of clean energy jobs in rural communities. Early reports indicate that the small refinery waivers you have granted could effectively cut biofuel demand by 1.5 billion gallons, thus effectively lowering President Trump's commitment to seeing 15 billion gallons of ethanol blended to 13.5 billion. Additionally, once these select refiners are no longer responsible for complying with these 2016 requirements, they are able to sell excess Renewable Identification Numbers (RINs) back into the market, increasing supply and lowering the price.

This further reduces incentives for blending, slashing demand for biofuels and feedstocks, and hurting farmers and biofuels companies. These waivers could cripple the market for years to come, holding back homegrown biofuels while creating a windfall profits for large oil refiners -- the exact opposite of this administration's promise to voters.

Perhaps most concerning, these lucrative waivers have reportedly been issued behind closed doors, outside of the public process, while the EPA has simultaneously been working with refineries to pressure President Trump to sign off on a RIN cap that would wreak further havoc on the RFS.

We request that you take the following actions immediately:

- Cease issuing any refinery waivers under the RFS;
- Provide a full list of the refiners that have received a refinery waiver in 2016, 2017 or 2018, including the name, location, refining capacity, date waiver was issued, and number of gallons waived;
- Provide a detailed report to Congress within two weeks of receipt of this letter that describes your justification for providing each of these waivers. Specifically, please include whether the volumes were redistributed to other obligated parties. If the volumes were not redistributed, please explain why they were not and the reason EPA decided to undercut the RVOs against the President's commitment;
- Respond in writing describing your commitment and plan to consider future small refinery waivers only during the annual RVO rulemaking process and commitment to provide full notice and opportunity for comment on any future small refinery waiver requests.

We appreciate your timely response to these matters.

Sincerely,

Charles E. Grassley
United States Senator

Amy Klobuchar
United States Senator

Joni K. Ernst
United States Senator

Debbie Stabenow
United States Senator

Deb Fischer
United States Senator

Richard J. Durbin
United States Senator

John Thune
United States Senator

Tina Smith
United States Senator

Roy Blunt
United States Senator

Claire McCaskill
United States Senator

Tammy Duckworth
United States Senator

Heidi Heitkamp
United States Senator

Joe Donnelly
United States Senator

Agenda for Prebrief for the 2/9 Meeting with Small Refinery Owners' Ad Hoc Coalition re: RFS Briefing for Janet McCabe

Friday, February 5, 2016, 10:30-11:00am

1. Background
    a. Purpose of February 9th meeting
    b. Review of background materials

2. Update on small refinery petitions

3. Coalition's concerns over small refinery hardship

4. Point of obligation

5. Update on WRC decision

[SEQ CHAPTER \h \r 1]Meeting Request Form for Administrator Scott Pruitt

Today's Date: 3/6/17

Requesting Office: OAR-OTAQ

Title of the Meeting: RFS Small Refinery Hardship Petitions

Purpose: To brief the Administrator on the RFS program small refinery hardship process.

Role of the Administrator: Informational briefing

Background: Under the Renewable Fuel Standard (RFS) program, the statute allows for small refineries to submit hardship petitions for exemption from their individual RFS annual volume obligations. Decisions are made on a case-by-case basis, thus this briefing will cover background on small refinery hardship petitions in general, and will also update the Administrator on pending hardship decisions.

Last possible date for the meeting: March 14, 2017

Is the meeting urgent and if so why?: The 2016 compliance deadline for refineries is March 31, 2017. We aim to issue decisions as far in advance of the deadline as possible so refineries have time to comply.

Requested Time Length: 1 hour

EPA Staff (Required):
Sarah Dunham (OAR)
Christopher Grundler, Benjamin Hengst, Byron Bunker, Janet Cohen, Mary Manners (OAR)
David Orlin, Susan Stahle, Roland Dubois (OGC)

EPA Staff (Optional):
Kristien Knapp (OA Special Assistant)
Josh Lewis, Gwen Stewart, Theresa Davis (OAR)

External Participants: N/A

Teleconference Required?: Yes

NOTE: Meeting request forms should be submitted to [HYPERLINK "mailto:scheduling@epa.gov"]. *The AO Special Assistant who covers your office must be copied on the request. All briefing material must be sent to your AO Special Assistant by 3:00 pm the day before your meeting, or to OCIR 48 hours in advance. If briefing materials are not submitted on time, we may need to reschedule your briefing.*

Video Conference Required?: *(If so please provide the conference room name to be used for video connection)*
Yes – Ann Arbor Conference Room C-174 DOD AA

Point of Contact for the Meeting: Emily Atkinson 202-564-1850

NOTE: Meeting request forms should be submitted to [HYPERLINK "mailto:scheduling@epa.gov"]. *The AO Special Assistant who covers your office must be copied on the request. All briefing material must be sent to your AO Special Assistant by 3:00 pm the day before your meeting, or to OCIR 48 hours in advance. If briefing materials are not submitted on time, we may need to reschedule your briefing.*

Congress of the United States
Washington, DC 20515

July 6, 2020

The Honorable Andrew R. Wheeler
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Dear Administrator Wheeler,

As the global spread of Coronavirus Disease 2019 ("COVID-19") continues, and the U.S. seeks to reestablish itself as a global energy exporter, it is imperative that the U.S. Environmental Protection Agency ("EPA") do everything in its power to keep our nation's small refineries in business. We greatly appreciate this Administration's repeated commitment to small refineries, recognizing their importance to energy independence and security and as critical employers in rural areas.

As stated in its 2011 report, the U.S. Department of Energy ("DOE") understood that small refiners would be renewable identification number ("RIN") buyers, and that they would be at a permanent competitive disadvantage that would grow increasingly acute as the volume mandates and RIN prices increase.[1] In addition to the existing harm to small refineries, COVID-19 has brought upon our nation an unprecedented economic downturn, and the resulting decline in fuel demand qualifies as an emergency that will cause severe economic harm to not only the State of West Virginia, but also our nation as a whole.

In order to help alleviate the damage threatening our State amidst this national crisis, we urge you to quickly and decisively grant the Clean Air Act ("CAA") waiver petition submitted to you that would relieve small refineries of complying with the Renewable Fuel Standard ("RFS") in 2019 and 2020.[2] We also urge you to rule on pending petitions for small refinery hardship relief for 2019 and prior compliance years.

For small refineries that lack economies of scale and have limited geographic reach and less market diversification, this downturn poses an unprecedented threat to their continued viability, and they are uniquely vulnerable to market downturns. This harm therefore directly translates into harm to the communities and states in which they operate, including our own.

Several small refineries recently petitioned EPA to use its waiver authority to relieve them from complying with the RFS for 2019 and 2020. The petition demonstrates that without relief, the

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[1] DOE, Small Refinery Exemption Study: An Investigation into Disproportionate Economic Hardship 17-18 (March 2011) ("DOE Study").

[2] Letter from LeAnn Johnson Koch, Perkins Coie LLP, to Administrator Andrew R. Wheeler, U.S. EPA re: Petition for Waiver Under Clean Air Act Section 211(o)(7)(A)(i) of the Renewable Fuel Standard ("RFS") (Mar. 30, 2020).

damage inflicted on small refineries will cause "severe economic harm in states, regions, and the United States."[3] RIN Prices have risen sharply for reasons wholly unrelated to the cost of blending renewable fuel, so the cost of buying RINs will disproportionally harm small refineries.

In the time since these petitions were filed, a small refinery in rural New Mexico, for example, announced plans to idle operations during the economic downturn. We may very well see more of these announcements in months to come. West Virginia is uniquely positioned to suffer economic harm if the current economic downturn forces small refineries to scale back or stop operations.

As such, the need for swift action has never been more crucial. The harm experienced by small refineries right now is exactly the type of harm Congress intended for EPA to be able to relieve through its CAA waiver authority, and we implore EPA to help us by doing just that.

The need for relief is further exacerbated by the Tenth Circuit's decision in *Renewable Fuels Association v. EPA*, which may effectively eliminate small refinery hardship relief at a time when relief is most needed given the market downturn caused by COVID-19.[4] The court's ruling that small refineries may only receive small refinery hardship relief if they were eligible for and retained hardship relief from 2006 to the present is at odds with the plain language of the CAA, Congressional intent, and the findings in the DOE's 2011 study.

The decision also has led to a striking price increase in the RIN market, further aggravating the harm to small refineries and putting the economic health of states like West Virginia, at severe risk. Without the ability to seek small refinery hardship relief, your waiver authority under the CAA is the critical lifeline to prevent severe economic harm for small refineries

Thank you for your attention to this important issue, and your continued leadership in response to COVID-19. We look forward to working with you to strengthen America's energy independence and preventing undue harm to our nation's small refineries.

Sincerely,

David B. McKinley, P.E.
Member of Congress

Shelley Moore Capito
United States Senator

Alex X. Mooney
Member of Congress

Carol D. Miller
Member of Congress

[3] CAA § 211(o)(7)(A)(i), 42 U.S.C. § 7545(o)(7)(A)(i).
[4] 948 F.3d 1206, 1247 (10th Cir. 2020).

VICKY HARTZLER
4TH DISTRICT, MISSOURI

COMMITTEE ON ARMED SERVICES
RANKING MEMBER, SUBCOMMITTEE ON
TACTICAL AIR AND LAND FORCES

COMMITTEE ON AGRICULTURE

WWW.HARTZLER.HOUSE.GOV

Congress of the United States
House of Representatives
Washington, DC 20515–2504

2235 RAYBURN BUILDING
WASHINGTON, D.C. 20515
(202) 225-2876

2415 CARTER LANE, SUITE 4
COLUMBIA, MO 65201
(573) 442-9311

1909 NORTH COMMERCIAL STREET
HARRISONVILLE, MO 64701
(816) 884-3411

219 NORTH ADAMS AVENUE
LEBANON, MO 65536
(417) 532-5582

April 29, 2019

The Honorable Andrew Wheeler
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, D.C. 20004

Dear Administrator Wheeler:

I'm writing to request you not grant anymore Small Refinery Exemptions (SRE) under the Renewable Fuel Standard (RFS) for large or unqualified refiners. At a time when farmers are facing uncertainty in international markets, domestic market opportunities should hold strong for our producers, not undermine them.

Many of my constituents have expressed concerns over this process as the number of approved SRE requests have reached a total of 54 since 2016. Requests for 2018 drastically exceed that of prior years and with no denials since 2015, I am concerned this trend will continue without proper justification or obvious consideration of the Department of Energy's recommendations.

According to the U.S. Department of Energy, Missouri has the potential to become a national leader in biofuels, while simultaneously impacting the economy, supporting local jobs, giving consumers choices at the pump, reducing environmental impacts and supporting the agriculture industry. Improperly granting SREs undercuts this growth by eliminating almost one billion bushels of domestic corn demand and removes 2.6 billion gallons of renewable fuel blending from the market. This impact is solely from the exemptions granted through 2017 and does not take into account the devastation that would be caused by additional improper exemptions.

Overall, as the country continues to lead the way in biofuel production, we increase our energy independence and provide consumers with reliable and affordable options. With this being a priority of the President, I believe agencies should be supporting industries in this endeavor.

I strongly request the EPA stop granting improper SRE requests, redistribute the gallons waived in previous years and increase the transparency of this process by allowing basic information of applicants to be made public. Thank you for your time and consideration and I stand ready to assist moving forward.

Sincerely,

Vicky Hartzler

Vicky Hartzler
Member of Congress

WilmerHale

July 23, 2018

David Lehn

+1 202 663 6910 (t)
+1 202 663 6363 (f)
david.lehn@wilmerhale.com

FREEDOM OF INFORMATION ACT REQUEST

National Freedom of Information Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW (2822T)
Washington, DC 20460
hq.foia@epa.gov

Dear Sir or Madam:

On behalf of Growth Energy, a trade association of domestic ethanol producers, I submit this request under the Freedom of Information Act for the following records:

1. every record embodying a determination by EPA that a refiner or refinery is exempt under 42 U.S.C. § 7545(o)(9)(A), § 7545(o)(9)(B), or the Small Business Regulatory Enforcement Fairness Act, from compliance with the requirements of 42 U.S.C. § 7545(o)(2); and

2. every record provided by EPA to the Secretary of Energy or any congressional committee, subcommittee, member, or staff explaining why EPA disagreed with any recommendation from the Department of Energy to approve or deny, in part or full, any request by a refiner or refinery for an exemption under 42 U.S.C. § 7545(o)(9)(A), § 7545(o)(9)(B), or the Small Business Regulatory Enforcement Fairness Act, from compliance with the requirements of 42 U.S.C. § 7545(o)(2).

The date when EPA searches for responsive records should be deemed the end date for this request.

If EPA needs to consult with any other agency to process this request, please do not delay production of responsive records that are not the subject of that consultation.

We are willing to pay up to $500 in fees. Please inform me if you anticipate the possibility of excess charges so that I may decide whether to agree to those charges. This request furthers the commercial interests of Growth Energy's members.

Please produce responsive records in their original format where possible.

Thank you for your prompt consideration of this request.

Sincerely,

David Lehn

FY 2019 PRESS CONFERENCE & HEARINGS
SMALLREFINERY EXEMPTIONS

Background

Key Points:

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 2 2017

OFFICE OF
AIR AND RADIATION

Mrs. Michal Conger
The Washington Examiner
1015 15th Street
Suite 500
Washington, D.C. 20005

Re: Freedom of Information Act Request EPA-HQ-2013-009012

Dear Mrs. Conger:

I am writing in regards to the above-referenced Freedom of Information Action (FOIA) request that was submitted to the U.S. Environmental Protection Agency ("EPA" or "Agency") on August 12, 2013, in which you requested information on "refinery exemptions from the 2013 renewable fuel mandate" under the Renewable Fuel Standard (RFS) program.

EPA is unable to provide records at this time that are fully responsive to your request, as we treat both the names of individual petitioners and EPA's decision on those petitions as Confidential Business Information (CBI) under FOIA Exemption 4 (5 U.S.C. § 522(b)(4)) pending a final CBI determination by the Office of General Counsel. However, on an aggregated basis, we can share that with respect to the RFS standards for 2013 through 2016, EPA has granted a total of 29 annual exemptions. Further, you may be interested in the aggregated data that EPA regularly posts on Renewable Identification Number (RIN) generation and renewable fuel volume production, and other RIN transactions, for specific fuel categories at the following website: https://www.epa.gov/renewable-fuel-standard-program/renewable-identification-number-rin-data-renewable-fuel-standard. While this information is not fully responsive to your request, to further the objective of the FOIA, we are providing you with the information related to your request that we can release at this time. Given the time that has passed since your initial inquiry, and the potential value to you of the information provided in this letter and the possibility that it will satisfy your needs, we will consider your FOIA request closed unless you inform us within 30 business days of your receipt of this letter than you wish the Agency to provide a full response to your August 12, 2013 request.

Please notify the EPA within thirty working days from receipt of this letter if you are still interested in proceeding with this FOIA request. You may contact Janet Cohen of my staff by phone at 734-214-4511, or by email at cohen.janet@epa.gov, or by mail to the following address: Janet Cohen, U.S. Environmental Protection Agency, National Vehicle and Fuel Emissions Laboratory, 2000 Traverwood Drive, Ann Arbor, MI 48105. Please reference request

number EPA-HQ-2013-009012 in any correspondence. If you do not respond within the designated time, EPA will consider your request voluntarily withdrawn and will close the file. As a reminder you are free to refile a similar request in the future.

Sincerely,

Byron J. Bunker, Director
Compliance Division
Office of Transportation and Air Quality

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 2 2017

OFFICE OF
AIR AND RADIATION

Mr. Bryan P. Frankey
Manko, Gold, Katcher & Fox, LLP
401 City Avenue
Suite 500
Bala Cynwyd, Pennsylvania 19004

Re: Freedom of Information Act Request EPA-HQ-2014-001206

Dear Mr. Franey:

I am writing in regards to the above-referenced Freedom of Information Action (FOIA) request that was submitted to the U.S. Environmental Protection Agency ("EPA" or "Agency") on November 18, 2013, in which you requested information pertaining to "small refinery and small refiner exemptions" under the Renewable Fuel Standard (RFS) program.

EPA is unable to provide records at this time that are fully responsive to your request, as we treat both the names of individual petitioners and EPA's decision on those petitions as Confidential Business Information (CBI) under FOIA Exemption 4 (5 U.S.C. § 522(b)(4)) pending a final CBI determination by the Office of General Counsel. However, on an aggregated basis, we can share that with respect to the RFS standards for 2013 through 2016, EPA has granted a total of 29 annual exemptions. Further, you may be interested in the aggregated data that EPA regularly posts on Renewable Identification Number (RIN) generation and renewable fuel volume production, and other RIN transactions, for specific fuel categories at the following website: https://www.epa.gov/renewable-fuel-standard-program/renewable-identification-number-rin-data-renewable-fuel-standard. While this information is not fully responsive to your request, to further the objective of the FOIA, we are providing you with the information related to your request that we can release at this time. Given the time that has passed since your initial inquiry, and the potential value to you of the information provided in this letter and the possibility that it will satisfy your needs, we will consider your FOIA request closed unless you inform us within 30 business days of your receipt of this letter than you wish the Agency to provide a full response to your November 18, 2013 request.

Please notify the EPA within thirty working days from receipt of this letter if you are still interested in proceeding with this FOIA request. You may contact Janet Cohen of my staff by phone at 734-214-4511, or by email at cohen.janet@epa.gov, or by mail to the following address: Janet Cohen, U.S. Environmental Protection Agency, National Vehicle and Fuel Emissions Laboratory, 2000 Traverwood Drive, Ann Arbor, MI 48105. Please reference request

number EPA-HQ-2014-001206 in any correspondence. If you do not respond within the designated time, EPA will consider your request voluntarily withdrawn and will close the file. As a reminder you are free to refile a similar request in the future.

Sincerely,

Byron J. Bunker, Director
Compliance Division
Office of Transportation and Air Quality

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

FEB 23 2018

OFFICE OF
AIR AND RADIATION

Mr. Bill Lapp
President, Advanced Economic Solutions
839 N 133 Street
Omaha, NE 68154

Re: Freedom of Information Act Request EPA-HQ-2018-003310

Dear Mr. Lapp:

I am writing in regards to the above-referenced Freedom of Information Act (FOIA) request that was submitted to the U.S. Environmental Protection Agency (" EPA" or " Agency") on January 11, 2018, in which you requested information pertaining to small refinery exemptions under the Renewable Fuel Standard (RFS) program.

Your letter presented three specific requests:

1. To identify the small refineries that have been granted an annual exemption for calendar years 2016, 2017, and 2018.
2. To identify the small refineries that have petitioned for an exemption for calendar years 2017 and 2018.
3. To identify the "respective refining capacities" of those small refineries.

The EPA is unable to provide records at this time that are fully responsive to your requests, as we treat both the names of individual petitioners and EPA's decisions on those individual petitions as Confidential Business Information (CBI) under FOIA Exemption 4 (5 U.S.C. § 522(b)(4)) pending a final CBI determination by the Office of General Counsel. However, in response to your first request, we can tell you that to date, we have granted an annual exemption to a total of 15 small refineries for calendar year 2016, and we are still evaluating some 2016 petitions. We are currently evaluating, but have not yet issued, decisions on 2017 petitions. We have not yet received 2018 petitions. Further, you may also wish to review the publicly available, refinery-specific capacity information that the U.S. Energy Information Administration posts on its website at https://www.eia.gov/petroleum/refinerycapacity/.

While this information is not fully responsive to your request, to further the objective of the FOIA, we are providing you with the information related to your request that we can release at this time. We will consider your FOIA request closed unless you inform us that you wish to pursue a full response to your January 11, 2018 request. Please notify the EPA within 30 business days from receipt of this letter if you are still interested in proceeding with this FOIA request.

You may contact Janet Cohen of my staff by phone at 734-214-4511, or by email at cohen.janet@epa.gov, or by mail to the following address: Janet Cohen, U.S. Environmental Protection Agency, National Vehicle and Fuel Emissions Laboratory, 2000 Traverwood Drive, Ann Arbor, MI 48105. Please reference request number EPA-HQ-2018-003310 in any correspondence. If you do not respond within the designated time, EPA will consider your request voluntarily withdrawn and will close the file. As a reminder you are free to refile a similar request in the future.

Sincerely,

Byron J. Bunker, Director
Compliance Division
Office of Transportation and Air Quality

Request Details **Status :** *Assignment Determination* **Due Date :** *02/13/2018*
Request Type : *FOIA* 2

Submitted Evaluation Assignment Processing Closed

Request Details

Tracking Number :	EPA-HQ-2018-003310	Submitted Date :	01/11/2018
Requester :	Bill Lapp	Perfected Date :	01/16/2018
Organization :	Advanced Economic Solutions	Last Assigned Date :	01/17/2018
Requester Has Account :	Yes	Fee Limit :	$200.00
Email Address :	bill@aesresearch.com	Request Track :	Simple
Phone Number :	402-496-6015	Due Date :	02/13/2018
Fax Number :	N/A	Assigned To :	Office of Transportation and Air Quality
Address :	839 N 133 Street	Last Assigned By :	Sabrina Hamilton (Immediate Office)
City :	Omaha		
State/Province :	NE		
Zip Code/Postal Code :	68154		

Submission Details

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	01/16/2018
Fee Category :	Other	Acknowledgement Sent Date:	01/16/2018
Fee Waiver Requested:	No	Unusual Circumstances ? :	No
Fee Waiver Status:	N/A	5 Day Notifications:	No
Expedited Processing Requested :	No	Litigation :	No
Expedited Processing Status :	N/A	* Litigation Court Docket Number :	

Request Description

Short Description : N/A

Advanced Economic Solutions has 3 specific FOIA requests: 1. Advanced Economic Solutions wishes to identify the "small refineries" that have been granted an annual exemption from its annual RVOs for calendar years 2016, 2017 and 2018. 2. Additionally, Advanced Economic Solutions would like to identify the small refineries that have petitioned for an exemption from its annual RVOs for calendar years 2017 and 2018. 3. In addition to identifying the small refineries that have been granted or petitioned for an annual exemption from their annual RVOs, Advanced Economic Solutions would like to identify their respective refining capacities (as estimated by EPA or EIA). Under EPA's Renewable Fuel Standard (RFS) program, a small refinery may be granted a temporary exemption from its annual Renewable Volume Obligations (RVOs) if it can demonstrate that compliance with the RVOs would cause the refinery to suffer disproportionate economic hardship. The RFS regulations define a small refinery as one with an average crude oil input no greater than 75,000 barrels per day (bpd) crude in 2006. Additionally, the small refinery may not have an average aggregate daily crude oil throughput greater than 75,000 bpd in the most recent full calendar year prior to submitting a petition, and cannot be projected to exceed the 75,000 bpd threshold in the year or years for which it is seeking an exemption. Advanced Economic Solutions is an independent consulting firm, based in Omaha, Nebraska, that specializes in assisting food companies with supply chain risk management and other economic and commodity issues. Thank you in advance for your attention to this request.

Description Available to the Public :	Yes	Has Description Been Modified?	No

Attached Supporting Files

Attachments Available to the Yes

January 11, 2018

Advanced Economic Solutions has 3 specific FOIA requests:

1. Advanced Economic Solutions wishes to identify the "small refineries" that have been granted an annual exemption from its annual RVOs for calendar years 2016, 2017 and 2018.
2. Additionally, Advanced Economic Solutions would like to identify the small refineries that have petitioned for an exemption from its annual RVOs for calendar years 2017 and 2018.
3. In addition to identifying the small refineries that have been granted or petitioned for an annual exemption from their annual RVOs, Advanced Economic Solutions would like to identify their respective refining capacities (as estimated by EPA or EIA).

Under EPA's Renewable Fuel Standard (RFS) program, a small refinery may be granted a temporary exemption from its annual Renewable Volume Obligations (RVOs) if it can demonstrate that compliance with the RVOs would cause the refinery to suffer disproportionate economic hardship.[1]

The RFS regulations define a small refinery as one with an average crude oil input no greater than 75,000 barrels per day (bpd) crude in 2006. Additionally, the small refinery may not have an average aggregate daily crude oil throughput greater than 75,000 bpd in the most recent full calendar year prior to submitting a petition, and cannot be projected to exceed the 75,000 bpd threshold in the year or years for which it is seeking an exemption.[2]

Advanced Economic Solutions is an independent consulting firm, based in Omaha, Nebraska, that specializes in assisting food companies with supply chain risk management and other economic and commodity issues.[3]

Thank you in advance for your attention to this request.

Bill Lapp
President, Advanced Economic Solutions
Omaha, NE
402-496-6015

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[1] https://19january2017snapshot.epa.gov/renewable-fuel-standard-program/renewable-fuel-standard-exemptions-small-refineries_.html

[2] https://19january2017snapshot.epa.gov/renewable-fuel-standard-program/renewable-fuel-standard-exemptions-small-refineries_.html

[3] www.advancedeconomicsolutions.com

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

JUN 2 2017

OFFICE OF
AIR AND RADIATION

Mr. Jarrett Renshaw
Reuters
3 Times Square
New York City, New York 10036

Re: Freedom of Information Act Request EPA-HQ-2016-009172

Dear Mr. Renshaw:

I am writing in regards to the above-referenced Freedom of Information Action (FOIA) request that was submitted to the U.S. Environmental Protection Agency ("EPA" or "Agency") on August 5, 2016, in which you requested information related to "hardship waivers" granted under the Renewable Fuel Standard (RFS) program.

EPA is unable to provide records at this time that are fully responsive to your request, as we treat both the names of individual petitioners and EPA's decision on those petitions as Confidential Business Information (CBI) under FOIA Exemption 4 (5 U.S.C. § 522(b)(4)) pending a final CBI determination by the Office of General Counsel. However, on an aggregated basis, we can share that with respect to the RFS standards for 2013 through 2016, EPA has granted a total of 29 annual exemptions. Further, you may be interested in the aggregated data that EPA regularly posts on Renewable Identification Number (RIN) generation and renewable fuel volume production, and other RIN transactions, for specific fuel categories at the following website: https://www.epa.gov/renewable-fuel-standard-program/renewable-identification-number-rin-data-renewable-fuel-standard. While this information is not fully responsive to your request, to further the objective of the FOIA, we are providing you with the information related to your request that we can release at this time. Given the time that has passed since your initial inquiry, and the potential value to you of the information provided in this letter and the possibility that it will satisfy your needs, we will consider your FOIA request closed unless you inform us within 30 business days of your receipt of this letter than you wish the Agency to provide a full response to your August 5, 2016 request.

Please notify the EPA within thirty working days from receipt of this letter if you are still interested in proceeding with this FOIA request. You may contact Janet Cohen of my staff by phone at 734-214-4511, or by email at cohen.janet@epa.gov, or by mail to the following address: Janet Cohen, U.S. Environmental Protection Agency, National Vehicle and Fuel Emissions Laboratory, 2000 Traverwood Drive, Ann Arbor, MI 48105. Please reference request

number EPA-HQ-2016-009172 in any correspondence. If you do not respond within the designated time, EPA will consider your request voluntarily withdrawn and will close the file. As a reminder you are free to refile a similar request in the future.

Sincerely,

Byron J. Bunker, Director
Compliance Division
Office of Transportation and Air Quality

Wed Apr 25 14:50:59 EDT 2018
CMS.OEX@epamail.epa.gov
FW: Senate Hardship Waivers request - status please
To: "cms.oex@domino.epamail.epa.gov" <cms.oex@domino.epamail.epa.gov>

From: Hope, Brian
Sent: Wednesday, April 25, 2018 6:50:59 PM (UTC+00:00) Monrovia, Reykjavik
To: CMS.OEX
Subject: FW: Senate Hardship Waivers request - status please

From: Polka, William D [mailto:POLKAW@nationwide.com]
Sent: Monday, April 23, 2018 9:40 AM
To: Pruitt, Scott <Pruitt.Scott@epa.gov>
Subject: Senate Hardship Waivers request - status please

Mr. Pruitt, a bipartisan group of Senators, led by our own Chuck Grassley, sent a letter to your office in regards to the inappropriate issuance of hardship waivers to "big oil" and other EPA actions that are endangering our Renewable Fuels industry.

I would like to know what your office is doing in response to this letter.

Respectfully,

Bill Polka

5187 170th Ave

Carlisle, IA

polkaw@nationwide.com

Cell – (515) 249-5586

"There are many ways of going forward, but only one way of standing still."
Franklin D. Roosevelt

Request Details
Request Type : *FOIA*

Status : *Assignment Determination* **Due Date :** *03/01/2018* 1

Janet

Submitted — Evaluation — Assignment — Processing — Closed

Request Details

Tracking Number :	EPA-HQ-2018-003979	Submitted Date :	01/31/2018
Requester :	Mr. Todd A. Neeley	Perfected Date :	01/31/2018
Organization :	DTN/The Progressive Farmer	Last Assigned Date :	01/31/2018
Requester Has Account :	Yes	Fee Limit :	$25.00
Email Address :	todd.neeley@dtn.com	Request Track :	Simple
Phone Number :	402-309-3720	Due Date :	03/01/2018
Fax Number :	402-390-7187	Assigned To :	Office of Transportation and Air Quality
Address :	9110 West Dodge Road	Last Assigned By :	Sabrina Hamilton (Immediate Office)
City :	Omaha		
State/Province :	NE		
Zip Code/Postal Code :	68114		

Submission Details

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	01/31/2018
Fee Category :	Media/Educational	Acknowledgement Sent Date:	
Fee Waiver Requested:	No	Unusual Circumstances ? :	No
Fee Waiver Status:	N/A	5 Day Notifications:	No
Expedited Processing Requested :	No	Litigation :	No
Expedited Processing Status :	N/A	* Litigation Court Docket Number :	

Request Description

Short Description : N/A

This is a request under the Freedom of Information Act in accordance with 5 U.S.C. § 552, and 5 U.S.C. § 552a seeking copies of Renewable Fuel Standard waiver requests on behalf of small refiners, from Jan. 1, 2012 to Jan. 1, 2018. EPA has authority to grant exemptions from the RFS requirements to refineries with a capacity under 75,000 barrels per day, if companies can demonstrate financial hardship. DTN requests copies of those waiver requests.

Description Available to the Public :	Yes	Has Description Been Modified?	No

Attached Supporting Files

No supporting files have been added.

[redacted]

TREY HOLLINGSWORTH
9TH DISTRICT, INDIANA

1641 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5315

321 QUARTERMASTER COURT
JEFFERSONVILLE, IN 47130
(812) 288-3999

720 EXECUTIVE PARK DRIVE, SUITE 3000B
GREENWOOD, IN 46143
(317) 851-8710

Congress of the United States
House of Representatives
Washington, DC 20515–1409

HOUSE FINANCIAL SERVICES COMMITTEE

SUBCOMMITTEE ON CAPITAL MARKETS

SUBCOMMITTEE ON MONETARY POLICY

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

April 18, 2018

Honorable Scott Pruitt
Office of the Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue N.W.
Washington, DC 20460

Administrator Pruitt,

With your leadership, the Environmental Protection Agency (EPA) has taken great strides in implementing President Trump's agenda to reduce the burden of unnecessary regulations on U.S. businesses.

Recently, EPA granted 25 hardship biofuels policy waivers to small oil refiners, exempting them from the requirements of the Renewable Fuel Standard (RFS). According to EPA's website, to qualify for an exemption, a small refiner must produce less than 75,000 gallons of fuel per day and must be able to prove that complying with the RFS will cause significant hardship.

Given the substantial increase in the number of waivers EPA has granted in recent months compared to previous years, I write to ask what, if anything, has changed leading to an increase in the number of waivers granted. What criteria in addition to the criteria outlined above does EPA use in determining whether or not small refiners receive exemptions? If so, is the criteria publicly available and will the same criteria be used going forward?

I look forward to your timely response.

Be of good cheer,

Trey Hollingsworth
Member of Congress

Request Details **Status :** *Assignment Determination* **Due Date :** *04/25/2018*

Request Type : *FOIA* 4

Submitted — Evaluation — Assignment — Processing — Closed

Request Details

Tracking Number : EPA-HQ-2018-005823

Requester : Eric P. Wolff

Organization : N/A

Requester Has Account : Yes

Email Address : ewolff@politico.com

Phone Number : 760-303-1927

Fax Number : N/A

Address : POLITICO
1100 Wilson Blvd

City : Arlington

State/Province : VA

Zip Code/Postal Code : 22209

Submitted Date : 03/26/2018

Perfected Date : 03/28/2018

Last Assigned Date : 03/28/2018

Fee Limit : $25.00

Request Track : Simple

Due Date : 04/25/2018

Assigned To : Tanya Meekins (Office of Transportation and Air Quality)

Last Assigned By : Tanya Meekins (Office of Transportation and Air Quality)

Submission Details

Request Handling

Requester Info Available to the Public : Yes

Request Track : Simple

Fee Category : Media/Educational

Fee Waiver Requested: Yes

Fee Waiver Status: Pending Decision

Expedited Processing Requested : No

Expedited Processing Status : N/A

Request Perfected : Yes

Perfected Date : 03/28/2018

Acknowledgement Sent Date:

Unusual Circumstances ? : No

5 Day Notifications: No

Litigation : No

* Litigation Court Docket Number :

Request Description

Short Description : N/A

This is a request related to the Small Refiners Exemption under the Renewable Fuel Standard (i.e. the exemption available to refineries with capacity under 75,000 barrels per day). This request is for each compliance year of 2015, 2016, and 2017. I am asking for the number of refineries *requesting* exemptions for each year,and the total cumulative capacity of those refineries for each year. I am also asking for the number of refineries *receiving* an exemption for each year, and the total cumulative capacity of those refineries for each year.

Description Available to the Public : Yes

Has Description Been Modified? No

Attached Supporting Files

No supporting files have been added.

[redacted]

Request Details **Status :** *Assignment Determination* **Due Date :** *05/02/2018*
Request Type : *FOIA* 0

Submitted Evaluation Assignment Processing Closed

Request Details

Tracking Number : EPA-HQ-2018-006146
Requester : Timothy Cama
Organization : The Hill
Requester Has Account : Yes
Email Address : tcama@thehill.com
Phone Number : 202-695-6245
Fax Number : N/A
Address : 1625 K St NW Ste 900
City : Washington
State/Province : DC
Zip Code/Postal Code : 20006

Submitted Date : 04/03/2018
Perfected Date : 04/04/2018
Last Assigned Date : 04/04/2018
Fee Limit : $25.00
Request Track : Simple
Due Date : 05/02/2018
Assigned To : Office of Transportation and Air Quality
Last Assigned By : Sabrina Hamilton (Immediate Office)

Submission Details

Request Handling

Requester Info Available to the Public : Yes
Request Track : Simple
Fee Category : Media/Educational
Fee Waiver Requested: No
Fee Waiver Status: N/A
Expedited Processing Requested : No
Expedited Processing Status : N/A

Request Perfected : Yes
Perfected Date : 04/04/2018
Acknowledgement Sent Date:
Unusual Circumstances ? : No
5 Day Notifications: No
Litigation : No
* Litigation Court Docket Number :

Request Description

Short Description : N/A

I request copies of all records of waivers of the Renewable Fuel Standard granted by the EPA between Jan. 20, 2017, and the date the search for this request is processed.

Description Available to the Public : Yes
Has Description Been Modified? No

Attached Supporting Files

No supporting files have been added.

[redacted]

Request Details **Status :** *Assignment Determination* **Due Date :** *03/01/2018*

Request Type : *FOIA* 8

Submitted — Evaluation — Assignment — Processing — Closed

Request Details

Tracking Number :	EPA-HQ-2018-003965	Submitted Date :	01/31/2018
Requester :	Maral Arslanian	Perfected Date :	01/31/2018
Organization :	Akin Gump	Last Assigned Date :	02/02/2018
Requester Has Account :	Yes	Fee Limit :	$200.00
Email Address :	marslanian@akingump.com	Request Track :	Simple
Phone Number :	202-416-5528	Due Date :	03/01/2018
Fax Number :	N/A	Assigned To :	Office of Transportation and Air Quality
Address :	1333 New Hampshire Ave	Last Assigned By :	Sabrina Hamilton (Immediate Office)
City :	Washington		
State/Province :	DC		
Zip Code/Postal Code :	20036		

Submission Details

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	01/31/2018
Fee Category :	Commercial	Acknowledgement Sent Date:	01/31/2018
Fee Waiver Requested:	No	Unusual Circumstances ? :	No
Fee Waiver Status:	N/A	5 Day Notifications:	No
Expedited Processing Requested :	No	Litigation :	No
Expedited Processing Status :	N/A	* Litigation Court Docket Number :	

Request Description

Short Description : N/A

Pursuant to the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552 et seq., as amended, and 10 C.F.R. § 1004, the undersigned requests that the EPA Office of Transportation and Air Quality ("OTAQ") provide certain records prepared by, for, or submitted to EPA between January 1, 2006 and December 31, 2017 pursuant to the Renewable Fuels Standards (RFS) program, 42 U.S.C. § 7545(o), and EPA regulations at 40 C.F.R. §§ 80.1400 – 80.1474. More specifically, I request records related to the so called "small refiner and refinery exemption" and associated adjustments to renewable volume obligations and applicable percentages under the RFS, as provided for 42 U.S.C. § 7545(o)(3)(C)(ii), and 40 C.F.R. § 80.1441. The specific requests are defined further in the attached letter.

Description Available to the Public :	Yes	Has Description Been Modified?	No

Attached Supporting Files

Attachments Available to the Public : Yes

Attached File	Type	Size (MB)	Remove
1.29.18 FOIA Request (Arslanian, Maral).pdf	PDF	1.05	

[redacted]

Akin Gump
STRAUSS HAUER & FELD LLP

MARAL ARSLANIAN
Public Policy Specialist
+1 202.416.5528
marslanian@akingump.com

January 31, 2018

National Freedom of Information Officer
U.S. Environmental Protection Agency ("EPA")
1200 Pennsylvania Avenue, NW (2822T)
Washington, DC 20460

Re: Document Request Pursuant to the Freedom of Information Act

Pursuant to the Freedom of Information Act ("FOIA"), 5 U.S.C. § 552 *et seq.*, as amended, and 10 C.F.R. § 1004, the undersigned requests that the EPA Office of Transportation and Air Quality ("OTAQ") provide certain records prepared by, for, or submitted to EPA between January 1, 2006 and December 31, 2017 pursuant to the Renewable Fuels Standards (RFS) program, 42 U.S.C. § 7545(o), and EPA regulations at 40 C.F.R. §§ 80.1400 – 80.1474.

More specifically, I request records related to the so called "small refiner and refinery exemption" and associated adjustments to renewable volume obligations and applicable percentages under the RFS, as provided for 42 U.S.C. § 7545(o)(3)(C)(ii), and 40 C.F.R. § 80.1441, including, but not limited to, any and all records on the following:

(i) For each year from 2011 through 2017, the name, location, and barrel per day output of all small refiners and small refineries that EPA excluded from the overall non-renewable gasoline and diesel volumes used to determine applicable percentages for the renewable volume obligations;

(ii) The total number of gallons of renewable fuel blended by small refiners that EPA included in making small refiner adjustment to the RFS Volume Obligation for each year from 2011 through 2017;

(iii) Records related to EPA calculation of the small refiner and small refinery exemptions prior to 2011, including but not limited to:

a. For each year from 2007 through 2010, the name, location, and barrel per day output of all small refiners and small refineries that EPA excluded from the overall non-renewable gasoline and diesel volumes used to determine applicable percentages of renewable volume obligations;

Akin Gump
STRAUSS HAUER & FELD LLP

b. Any documents to support EPA's decision to not adjust the RFS volume obligation for each year from 2007 through 2010 by the volume of renewable fuel that small refiners and small refineries blended;

c. Record entitled, *Calculation of the Small Refiner/Small Refinery Fraction for the Renewable Fuel Program,'* Memorandum to the docket [EPA–HQ–OAR–2005–0161] from Christine Brunner, ASD, OTAQ, EPA September 2006;

(iv) Any Subsequent calculations of the Small Refiner/Small Refinery Fraction for the Renewable Fuel Program (*i.e.*, from 2007 -2017.)

As used in this request, "records" includes documents, reports, data, correspondence, studies, e-mail messages, and memoranda, whether electronic or paper copy. To the extent that you consider any portions of any records within the scope of this request to be exempt from disclosure, please identify such portions of records and the basis for not providing them, and produce all non-exempt materials.

We are willing to pay reasonable fees associated with processing this request of up to $200.00 without further authorization. Please contact me if you anticipate that the fees associated with processing this request will exceed that amount. I may be reached at 202-416-5528 or marslanian@akingump.com.

Please get back to me at your earliest convenience regarding this request.

Sincerely,

Maral Arslanian

Request Details **Status :** *Assignment Determination* **Due Date :** *05/09/2018*

Request Type : *FOIA* 3

Submitted · Evaluation · Assignment · Processing · Closed

Request Details

Tracking Number :	EPA-HQ-2018-006463	Submitted Date :	04/10/2018
Requester :	Mr. Shailesh Sahay	Perfected Date :	04/11/2018
Organization :	POET, LLC	Last Assigned Date :	04/11/2018
Requester Has Account :	Yes	Fee Limit :	$500.00
Email Address :	shailesh.sahay@poet.com	Request Track :	Simple
Phone Number :	202-756-5604	Due Date :	05/09/2018
Fax Number :	N/A	Assigned To :	Office of Transportation and Air Quality
Address :	900 7th St NW Suite 820	Last Assigned By :	Sabrina Hamilton (Immediate Office)
City :	Washington		
State/Province :	DC		
Zip Code/Postal Code :	20001		

Submission Details

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	04/11/2018
Fee Category :	Commercial	Acknowledgement Sent Date:	04/11/2018
Fee Waiver Requested:	No	Unusual Circumstances ? :	No
Fee Waiver Status:	N/A	5 Day Notifications:	No
Expedited Processing Requested :	No	Litigation :	No
Expedited Processing Status :	N/A	* Litigation Court Docket Number :	

Request Description

Short Description : N/A

All records expressing or embodying any final decision to grant or deny any petition for a "small refinery" exemption under 42 U.S.C. § 7545(o)(9).

Description Available to the Public :	Yes	Has Description Been Modified?	No

Attached Supporting Files

Attachments Available to the Public : Yes

Attached File	Type	Size (MB)	Remove
POET FOIA Request.pdf	PDF	0.09	

[redacted]

POET
HUMAN ... 202.868.2200 · 500 7TH ST. NW, STE 820 WASHINGTON, D.C. 20001 POET.COM

April 10, 2018

FREEDOM OF INFORMATION ACT REQUEST

National Freedom of Information Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW (2822T)
Washington, DC 20460
hq.foia@epa.gov

Dear Sir or Madam:

On behalf of POET LLC, the nation's largest producer of biofuels and other biorefined products, I submit this request under the Freedom of Information Act for all records expressing or embodying any final decision to grant or deny any petition for a "small refinery" exemption under 42 U.S.C. § 7545(o)(9).

The date when EPA searches for responsive records should be deemed the end date for this request.

If EPA needs to consult with any other agency to process this request, please do not delay production of responsive records that are not the subject of that consultation.

We are willing to pay up to $500 in fees. Please inform me if you anticipate the possibility of excess charges so that I may decide whether to agree to those charges. This request furthers POET LLC's commercial interests.

Please produce responsive records in their original format where possible.

Thank you for your prompt consideration of this request.

Sincerely,

Shai Sahay
Senior Regulatory Counsel

Request Details **Status :** *Assignment Determination* **Due Date :** *03/22/2018*
Request Type : *FOIA* 1

Submitted Evaluation Assignment Processing Closed

Request Details

Tracking Number :	EPA-HQ-2018-004657	Submitted Date :	02/20/2018
Requester :	Jennifer Dlouhy	Perfected Date :	02/22/2018
Organization :	N/A	Last Assigned Date :	02/22/2018
Requester Has Account :	Yes	Fee Limit :	$250.00
Email Address :	jdlouhy1@bloomberg.net	Request Track :	Simple
Phone Number :	202-807-2159	Due Date :	03/22/2018
Fax Number :	N/A	Assigned To :	Office of Transportation and Air Quality
Address :	1101 New York Ave. NW	Last Assigned By :	Sabrina Hamilton (Immediate Office)
City :	Washington		
State/Province :	DC		
Zip Code/Postal Code :	20005		

Submission Details

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	02/22/2018
Fee Category :	Media/Educational	Acknowledgement Sent Date:	
Fee Waiver Requested:	Yes	Unusual Circumstances ? :	No
Fee Waiver Status:	Pending Decision	5 Day Notifications:	No
Expedited Processing Requested :	Yes	Litigation :	No
Expedited Processing Status :	Pending Decision	* Litigation Court Docket Number :	

Request Description

Short Description : N/A

Pursuant to the Freedom of Information Act, 5 U.S.C. Section 552 et seq.("FOIA"), I request access to and copies of verification letters submitted by refiners seeking small refinery exemptions (as required under 40 CFR 80.1441) under the Renewable Fuel Standard ("the Records"). By way of additional information, these verification letters were initially required to be submitted by Aug. 31, 2007, under statute. I am further requesting that the Records be provided to me on computer files or, if not maintained on computer files, in the same format as they are currently maintained at the Environmental Protection Agency. Please see attachment for further details.

Description Available to the Public : Yes
Has Description Been Modified? No

Attached Supporting Files

Attachments Available to the Public : Yes

Attached File	Type	Size (MB)	Remove
022018-foia request on rfs small refinery exemptions.pdf	PDF	0.74	

Bloomberg

February 20, 2018

Freedom of Information Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue NW
Washington, D.C. 20460

BY EMAIL

FREEDOM OF INFORMATION ACT REQUEST

EXPEDITED PROCESSING REQUESTED

Dear FOIA Officer:

Pursuant to the Freedom of Information Act, 5 U.S.C. Section 552 et seq.("FOIA"), I request access to and copies of verification letters submitted by refiners seeking small refinery exemptions (as required under 40 CFR 80.1441) under the Renewable Fuel Standard ("the Records"). By way of additional information, these verification letters were initially required to be submitted by Aug. 31, 2007, under statute.

I am further requesting that the Records be provided to me on computer files or, if not maintained on computer files, in the same format as they are currently maintained at the Environmental Protection Agency.

I am a reporter for Bloomberg News, an accredited and recognized news-gathering organization. I request the Records to inform the public about matters of public concern. As a representative of the news media, I am only required to pay for the direct cost of duplication after the first 100 pages. Please waive all applicable fees. In the event a fee waiver is not granted, I agree to pay reasonable fees for the Records, including actual costs up to $250. If you estimate that actual costs will exceed this amount, please contact me so that I may make the appropriate arrangements for payment.

I request that these materials be subject to expedited processing on an ongoing basis: Bloomberg News is engaged in the dissemination of information to the public and the subject matter related to this request -- the viability of the Renewable Fuel Standard and the ability of small refiners to satisfy annual volume obligations established under the RFS -- is a matter of great public interest, debate and urgency. I certify that my statements concerning the need for expedited processing are true and correct to the best of my knowledge and belief.

Bloomberg

FOIA requires that your agency respond to my request for expedited treatment within 10 business days. In the event your agency denies my request for expedited treatment, whether through your agency's affirmative denial of the request for expedited treatment or through your agency's failure to respond to the request for expedited treatment, then FOIA requires that your agency nonetheless respond to the underlying request for information within 20 business days of receipt of this letter. This request is segregable, and your agency may not withhold entire records because of one section that you believe is exempt from disclosure. Under federal law, if you choose to withhold any such parts of the records from disclosure, you must specify in a written response the factual and legal basis for withholding any part of the Records.

Please contact me if I may assist in your office's response to this request. I can be reached at 202.807.2159 and jdlouhy1@bloomberg.net. As I am making this request as a journalist and this information is of timely value, I would appreciate your communicating with me by telephone or email, rather than by mail, if you have questions regarding this request.

Thank you for your assistance.

Sincerely,

Jennifer A. Dlouhy
Bloomberg News
202.807.2159
jdlouhy1@bloomberg.net

CC: Jon Morgan, U.S. regulation editor
Katherine K. Graham, Newsroom Counsel

Request Details **Status :** *Assignment Determination* **Due Date :** *05/10/2018*
Request Type : *FOIA* 2

Submitted · Evaluation · Assignment · Processing · Closed

Request Details

Tracking Number :	EPA-HQ-2018-006495
Requester :	Kurt Kovarik
Organization :	National Biodiesel Board
Requester Has Account :	Yes
Email Address :	kkovarik@biodiesel.org
Phone Number :	202-737-8801
Fax Number :	N/A
Address :	1331 Pennsylvania Ave, NW Suite 505
City :	Washington
State/Province :	DC
Zip Code/Postal Code :	20004
Submitted Date :	04/11/2018
Perfected Date :	04/12/2018
Last Assigned Date :	04/12/2018
Fee Limit :	$500.00
Request Track :	Simple
Due Date :	05/10/2018
Assigned To :	Office of Transportation and Air Quality
Last Assigned By :	Sabrina Hamilton (Immediate Office)

Submission Details

Request Handling

Requester Info Available to the Public :	Yes
Request Track :	Simple
Fee Category :	Commercial
Fee Waiver Requested:	No
Fee Waiver Status:	N/A
Expedited Processing Requested :	No
Expedited Processing Status :	N/A
Request Perfected :	Yes
Perfected Date :	04/12/2018
Acknowledgement Sent Date:	04/12/2018
Unusual Circumstances ? :	No
5 Day Notifications:	No
Litigation :	No
* Litigation Court Docket Number :	

Request Description

Short Description : N/A

Please see attached request.

Description Available to the Public : Yes

Has Description Been Modified? No

Attached Supporting Files

Attachments Available to the Public : Yes

Attached File	Type	Size (MB)	Remove
FOIA Request to EPA re Small Refinery Exemptions.pdf	PDF	0.12	

[redacted]

NATIONAL BIODIESEL® BOARD

National Biodiesel Board
605 Clark Ave.
PO Box 104898
Jefferson City, MO 65110-4898
(800) 841-5849 *phone*
(573) 635-7913 *fax*

National Biodiesel Board
1331 Pennsylvania Ave., NW
Suite 505
Washington, DC 20004
(202) 737-8801 *phone*
nbb.org | *biodiesel.org*

April 11, 2018

National Freedom of Information Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW (2822T)
Washington, DC 20460
(202) 566-1667

Re: <u>Freedom of Information Act Request</u>

Dear Sir/Madam:

Pursuant to the Freedom of Information Act, 5 U.S.C. §§ 552 et seq., and regulations thereunder, I hereby request:

- Any records submitted to EPA in conjunction with a petition for a small refinery exemption pursuant to 42 U.S.C. § 7545(o)(9)(B) for compliance with the 2015, 2016, 2017, or 2018 obligations under the Renewable Fuel Standard.

- Any records summarizing information regarding petitions for a small refinery exemption under 42 U.S.C. § 7545(o)(9)(B) for 2015, 2016, 2017, or 2018, including but not limited to:

  - The number of petitions for a small refinery exemption that EPA has ***received*** for each year.

  - The number of petitions for a small refinery exemption that EPA has ***granted*** for each year.

  - The total volume of renewable fuel that would be exempted under petitions for a small refinery exemption that EPA has ***received*** for each year.

  - The total volume of renewable fuel that will be exempted under petitions for a small refinery exemption that EPA has ***granted*** for each year.

  - The name of each refinery that ***submitted*** a petition for a small refinery exemption in each year.

  - The name of each refinery for which a small refinery petition was ***granted*** in each year.

Please copy and send the records responsive to this request to me at the address below. The National Biodiesel Board agrees to pay any reasonable fees and costs incurred for locating documents for review, in addition to any subsequent costs for duplication, but please let me know in advance of any search or copying if the fees will exceed $500.

I would be happy to discuss the scope of this request with you and to assist in identifying responsive documents. If you have any questions regarding this request, please do not hesitate to contact me at (202) 737-8801 or kkovarik@biodiesel.org.

Sincerely,

Kurt A. Kovarik

Kurt Kovarik
Vice President, Federal Affairs
National Biodiesel Board
1331 Pennsylvania Ave., NW
Suite 505
Washington, D.C. 20004

Request Details **Status :** *Assignment Determination* **Due Date :** *05/04/2018*
Request Type : *FOIA* 1

Submitted Evaluation Assignment Processing Closed

Request Details

Tracking Number :	EPA-HQ-2018-006291	Submitted Date :	04/05/2018
Requester :	Bob Dinneen	Perfected Date :	04/06/2018
Organization :	Renewable Fuel Association	Last Assigned Date :	04/06/2018
Requester Has Account :	No	Fee Limit :	$250.00
Email Address :	BobD@ethanolrfa.org	Request Track :	Simple
Phone Number :	202-289-3835	Due Date :	05/04/2018
Fax Number :	N/A	Assigned To :	Office of Air and Radiation
Address :	425 Third Street, SW Suite 1150	Last Assigned By :	Linda F. Person (Headquarters)
City :	Washington		
State/Province :	DC		
Zip Code/Postal Code :	20024		

Submission Details | Case File | Admin Cost | Assigned Tasks | Comments (0) | Review

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	04/06/2018
Fee Category :	Commercial	Acknowledgement Sent Date:	4/6/18
Fee Waiver Requested:	No	Unusual Circumstances ? :	No
Fee Waiver Status:	N/A	5 Day Notifications:	
Expedited Processing Requested :	No	Litigation :	No
Expedited Processing Status :	N/A		

Request Description

Short Description :

Requesting documents regarding Small refinery and small refiner hardship exemption materials.

Description Available to the Public : Yes

Has Description Been Modified?

Attached Supporting Files

Attachments Available to the Public : Yes

Attached File	Type	Size (MB)	Remove
Dinneen (Refinery) Rqst.pdf	PDF	0.21	

Upload Supporting Files

RFA RENEWABLE FUELS ASSOCIATION

April 4, 2018

RECEIVED APR 05 2018 BY:

National Freedom of Information Officer
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW (2822T)
Washington, DC 20460

RE: *Freedom of Information Act ("FOIA") Request for Small Refinery and Small Refiner Hardship Exemption Materials*

Dear FOIA Officer:

In January 2018, I requested dialogue with Administrator Pruitt regarding the Agency's review and issuance of small refinery and small refiner disproportionate economic hardship exemptions under the Renewable Fuels Standard.[1] In the absence of any response from the Agency, and amid reports that EPA has granted more than two dozen small refinery or small refiner economic hardship exemptions in the past year without public notice or comment, I am formally requesting under the Freedom of Information Act[2] the following information and documents from the Office of Air and Radiation and the Office of the Administrator:

- Any and all verification letters submitted to EPA seeking small refiner or small refinery exemptions under 40 C.F.R. § 80.1441(e)(2) or § 80.1442(h).
- Any and all documents reflecting the Agency's review of the verification letters submitted by small refiners or small refineries, including all correspondence with the small refiner or small refinery submitting the letter.
- Any and all petitions from refiners or small refineries seeking an extension of the small refiner or small refinery exemption based on a claim of disproportionate economic hardship, including any supporting information (other than material identified and marked as confidential business information).
- Any and all correspondence between EPA and refiners or small refineries seeking an extension of the small refiner or small refinery exemption based on a claim of disproportionate economic hardship, including any supporting information (other than material identified and marked as confidential business information).
- Any and all documents discussing or describing the refining capacity represented by the exempted small refiners and small refineries and from those small refiners and small refineries for which an extension was requested;
- Any and all documents granting or denying a small refinery or small refiner extension request considered in 2016, 2017, and 2018;

[1] 42 U.S.C. § 7545(o)(9)(B); *see also* 40 C.F.R. §§ 80.1441-80.1442.
[2] 5 U.S.C. § 552 *et seq.*

- Any and all EPA documents containing the criteria used by EPA to approve a small refinery or small refiner exemption request;

- Any and all EPA documents containing the criteria used by EPA to approve a small refinery or small refiner exemption *extension* request;

- Any and all EPA documents addressing whether EPA's Dec. 6, 2016 memorandum outlining financial and other information to be submitted as part of a small refinery or small refiner exemption request has been or will be updated or amended;[3]

- Any and all documents prepared by the Department of Energy as part of its consultation with EPA that assesses the potential economic hardship faced by a small refinery or small refiner;

- Any and all documents summarizing the number of small refinery or small refiner hardship exemptions received by EPA in 2016, 2017 and/or 2018;

- Any and all documents containing the refining capacity represented by small refineries that had submitted hardship exemption requests in 2016, 2017 and/or 2018;

- Any and all communications from EPA to small refineries or small refiners that have submitted requests for extensions of a small refiner or small refinery exemption hardship exemption requests in 2016, 2017 and/or 2018;

I am requesting that materials be provided to me on computer files or, if not maintained on computer files, in the same format as they are currently maintained at the EPA. Materials may be forwarded to me at the address above. I agree to pay reasonable fees for the materials I have requested; including actual costs up to $250. If you estimate that actual costs will exceed $250, please contact me so that I may arrange for payment. If documents are withheld entirely, I would kindly request that EPA: identify, at the time of document production, any and all material which is withheld; provide a justification for withholding the information, pursuant to 5 U.S.C. § 552(a)(6); and identify the exemption which EPA believes allows the withholding of the requested information.

If you should have any questions about this request, please feel free to contact me at (202) 289-3835 or BobD@ethanolrfa.org.

Sincerely,

Bob Dinneen
President and CEO
Renewable Fuels Association

---

[3] Memorandum from Byron Bunker, U.S. EPA, Office of Air and Radiation, *Financial and Other Information to Be Submitted with 2016 RFS Small Refinery Hardship Exemption Requests* (Dec. 6, 2016).

Request Details
Request Type : *FOIA*

Status : *Assignment Determination* **Due Date :** *05/15/2018*
0

Submitted · Evaluation · Assignment · Processing · Closed

Request Details

Tracking Number :	EPA-HQ-2018-006684	Submitted Date :	04/16/2018
Requester :	Elliott Blackburn	Perfected Date :	04/17/2018
Organization :	Argus Media	Last Assigned Date :	04/17/2018
Requester Has Account :	Yes	Fee Limit :	$250.00
Email Address :	elliott.blackburn@argusmedia.com	Request Track :	Simple
Phone Number :	713-429-6350	Due Date :	05/15/2018
Fax Number :	N/A	Assigned To :	Office of Transportation and Air Quality
Address :	2929 Allen Parkway Ste 700	Last Assigned By :	Sabrina Hamilton (Immediate Office)
City :	Houston		
State/Province :	TX		
Zip Code/Postal Code :	77019		

Submission Details

Request Handling

Requester Info Available to the Public :	Yes	Request Perfected :	Yes
Request Track :	Simple	Perfected Date :	04/17/2018
Fee Category :	Commercial	Acknowledgement Sent Date:	04/17/2018
Fee Waiver Requested:	Yes	Unusual Circumstances ? :	No
Fee Waiver Status:	Pending Decision	5 Day Notifications:	No
Expedited Processing Requested :	No	Litigation :	No
Expedited Processing Status :	N/A	* Litigation Court Docket Number :	

Request Description

Short Description : N/A

- Any and all records, which includes but is not limited to emails, instant messages and text messages, related to the criteria, eligibility or administration of small refinery exemptions for 2016, 2017, and 2018 under 40 CFR § 80.144(e)(2) or § 80.1442(h) other than material identified as and marked as confidential business information - All correspondence or documents related a waiver of Reid Vapor Pressure regulations under the Clean Air Act to allow 15pc ethanol blends of gasoline, commonly known as E15.

Description Available to the Public :	Yes	Has Description Been Modified?	No

Attached Supporting Files

Attachments Available to the Public : Yes

Attached File	Type	Size (MB)	Remove
180416 FOIA copy.pdf	PDF	0.16	

[redacted]

April 16, 2018

National Freedom of Information Officer
Environmental Protection Agency
1200 Pennsylvania Avenue, NW (2822T)
Washington, DC 20460

RE: FOIA request for material related to Small Refinery exemptions to the Renewable Fuel Standard

Dear FOIA Officer:

This is a request for records under the Freedom of Information Act ("FOIA"), 5 USC § 552 and the Privacy Act, § 552a. This request should be considered under both statutes to maximize the release of records.

- Any and all records, which includes but is not limited to emails, instant messages and text messages, related to the criteria, eligibility or administration of small refinery exemptions for 2016, 2017, and 2018 under 40 CFR § 80.144(e)(2) or § 80.1442(h) other than material identified as and marked as confidential business information
- All correspondence or documents related a waiver of Reid Vapor Pressure regulations under the Clean Air Act to allow 15pc ethanol blends of gasoline, commonly known as E15.

I am requesting that materials be provided as computer files or, if not maintained digitally, in the same format as they are maintained at the EPA. Materials may sent to me at the address below. This request is made as part of a news gathering to improve public understanding of these federal programs and as such I request a waiver of fees. If such a waiver is denied, I request to be contacted to arrange payment if costs will exceed $250.

If EPA withholds documents, I request that the agency identify at the time of production all material withheld, the justification for withholding the information under 5 USC § 552(a)(6) as well as the exemption EPA has identified to withhold the requested information.

Please return materials or any questions regarding this request to:

Elliott Blackburn
elliott.blackburn@argusmedia.com
(713) 429-6350
2929 Allen Parkway Ste 700
Houston, TX 77019

Thank you for your work.

Sincerely,

Elliott Blackburn

Request Details **Status :** *Assignment Determination* **Due Date :** *05/02/2018*

Request Type : *FOIA* 0

Submitted Evaluation Assignment Processing Closed

Request Details

Tracking Number : EPA-HQ-2018-006111

Requester : Bill Lapp

Organization : Advanced Economic Solutions

Requester Has Account : Yes

Email Address : bill@aesresearch.com

Phone Number : 402-496-6015

Fax Number : N/A

Address : 839 N 133 Street

City : Omaha

State/Province : NE

Zip Code/Postal Code : 68154

Submitted Date : 04/02/2018

Perfected Date : 04/04/2018

Last Assigned Date : 04/04/2018

Fee Limit : $200.00

Request Track : Simple

Due Date : 05/02/2018

Assigned To : Office of Transportation and Air Quality

Last Assigned By : Sabrina Hamilton (Immediate Office)

Submission Details

Request Handling

Requester Info Available to the Public : Yes

Request Track : Simple

Fee Category : Commercial

Fee Waiver Requested: No

Fee Waiver Status: N/A

Expedited Processing Requested : No

Expedited Processing Status : N/A

Request Perfected : Yes

Perfected Date : 04/04/2018

Acknowledgement Sent Date:

Unusual Circumstances ? : No

5 Day Notifications: No

Litigation : No

* Litigation Court Docket Number :

Request Description

Short Description : N/A

Advanced Economic Solutions has 3 specific FOIA requests: 1. Advanced Economic Solutions wishes to identify the number of "small refineries" that, as of March 31, 2018, have been granted an annual exemption from its annual RVOs for calendar years 2016, 2017 and 2018. 2. Advanced Economic Solutions wishes to identify the volume represented by the "small refineries" that, as of March 31, 2018, have been granted an annual exemption from its annual RVOs for calendar years 2016, 2017 and 2018. 3. Advanced Economic Solutions would like to identify the number of "small refineries" that, as of April 1, have petitioned for an exemption from its annual RVOs for calendar year 2018. Under EPA's Renewable Fuel Standard (RFS) program, a small refinery may be granted a temporary exemption from its annual Renewable Volume Obligations (RVOs) if it can demonstrate that compliance with the RVOs would cause the refinery to suffer disproportionate economic hardship. The RFS regulations define a small refinery as one with an average crude oil input no greater than 75,000 barrels per day (bpd) crude in 2006. Additionally, the small refinery may not have an average aggregate daily crude oil throughput greater than 75,000 bpd in the most recent full calendar year prior to submitting a petition, and cannot be projected to exceed the 75,000 bpd threshold in the year or years for which it is seeking an exemption. Advanced Economic Solutions is an independent consulting firm, based in Omaha, Nebraska, that specializes in assisting food companies with supply chain risk management and other economic and commodity issues. Thank you in advance for your attention to this request. Bill Lapp President, Advanced Economic Solutions Omaha, NE 402-496-6015

Description Available to the Public : Yes

Has Description Been Modified? No

Attached Supporting Files

Attachments Available to the Yes

April 2, 2018

Advanced Economic Solutions has 3 specific FOIA requests:

1. Advanced Economic Solutions wishes to identify the number of "small refineries" that, as of March 31, 2018, have been granted an annual exemption from its annual RVOs for calendar years 2016, 2017 and 2018.

2. Advanced Economic Solutions wishes to identify the volume represented by the "small refineries" that, as of March 31, 2018, have been granted an annual exemption from its annual RVOs for calendar years 2016, 2017 and 2018.

3. Advanced Economic Solutions would like to identify the number of "small refineries" that, as of April 1, have petitioned for an exemption from its annual RVOs for calendar year 2018.

Under EPA's Renewable Fuel Standard (RFS) program, a small refinery may be granted a temporary exemption from its annual Renewable Volume Obligations (RVOs) if it can demonstrate that compliance with the RVOs would cause the refinery to suffer disproportionate economic hardship.[1]

The RFS regulations define a small refinery as one with an average crude oil input no greater than 75,000 barrels per day (bpd) crude in 2006. Additionally, the small refinery may not have an average aggregate daily crude oil throughput greater than 75,000 bpd in the most recent full calendar year prior to submitting a petition, and cannot be projected to exceed the 75,000 bpd threshold in the year or years for which it is seeking an exemption.[2]

Advanced Economic Solutions is an independent consulting firm, based in Omaha, Nebraska, that specializes in assisting food companies with supply chain risk management and other economic and commodity issues.[3]

Thank you in advance for your attention to this request.

---

[1] https://19january2017snapshot.epa.gov/renewable-fuel-standard-program/renewable-fuel-standard-exemptions-small-refineries_.html

[2] https://19january2017snapshot.epa.gov/renewable-fuel-standard-program/renewable-fuel-standard-exemptions-small-refineries_.html

[3] www.advancedeconomicsolutions.com

PETE SESSIONS
32ND DISTRICT, TEXAS

CHAIRMAN
COMMITTEE ON RULES

COMMITTEE ON
FINANCIAL SERVICES
(ON LEAVE)

Congress of the United States
House of Representatives

2233 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-4332
TELEPHONE: 202.225.2231
FAX: 202.225.5973

LAKESIDE SQUARE
12377 MERIT DRIVE
SUITE 750
DALLAS, TEXAS 75251-2224
TELEPHONE: 972.392.0505
FAX: 972.392.0615

sessions.house.gov

April 17, 2018

The Honorable Scott Pruitt
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20004-2403

Dear Administrator Pruitt:

I write to encourage your consideration and support for providing relief for small refineries suffering hardship due in considerable part to the Renewable Fuel Standard (RFS).

Congress rightly provided discretion to the EPA Administrator to intervene and provide exemptions for small refiners from the RFS program on an annual basis. I continue to believe it is appropriate to provide such relief for small refiners that: are without economies of scale to utilize in meeting EPA's mandate; possess limited ability to blend biofuels with their petroleum products; may produce a greater percentage of diesel fuel as compared to the national average. Each of these factors individually contributes to disproportionate hardship for small refiners and collectively poses the threat of irreparable economic harm.

Additionally, I am aware that in conjunction with the 2018 Renewable Volume Obligation (RVO) rulemaking, the EPA sought comment on whether to reallocate volumes associated with a small refiner exemption to other obligated parties. In the strongest of terms, I support EPA's past practice of not reallocating those RVOs.

EPA's responsibility in administering the RFS is not to maximize, at any cost, the amount of biofuel mandated as transportation fuel. Additionally, the goal of the RFS is not to establish relative competitive advantages or disadvantages based on refinery scale or market dynamics. Rather, EPA's responsibility is to dutifully apply the law, including discretion where appropriate, in consultation with other relevant agencies. I ask you to continue to fulfill this responsibility in a timely manner.

Thank you for your consideration of the applications for small refinery exemptions. Please do not hesitate to reach out if I can be of any assistance on this issue.

Sincerely,

Pete Sessions
Member of Congress

MIKE ROUNDS
U.S. SENATOR
SOUTH DAKOTA

WWW.ROUNDS.SENATE.GOV

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
ARMED SERVICES
BANKING, HOUSING, AND URBAN AFFAIRS
ENVIRONMENT AND PUBLIC WORKS
SMALL BUSINESS AND ENTREPRENEURSHIP
VETERANS' AFFAIRS

April 13, 2018

The Honorable Scott Pruitt
Administrator
Environmental Protection Agency
1200 Pennsylvania Ave., SE
Washington, DC 20460

Dear Administrator Pruitt,

I am writing to reiterate my strong support for the Renewable Fuel Standard. I appreciate the time your staff has taken to discuss this issue with me and I would like to request additional information regarding the unusually high number of small refinery waivers issued in 2016 and 2017.

Corn ethanol production is a vital component of the South Dakota economy. The corn ethanol industry supports thousands of jobs in South Dakota and contributes a significant amount of revenue to South Dakota communities. It is essential that we be provided with comprehensive information that allows us to have a full understanding of the waiver process and the impact these waivers will have on the agricultural economy of South Dakota.

Section 2011(o)(7) of the Clean Air Act allows the Administrator of the Environmental Protection Agency (EPA) to issue a waiver to small refineries that process less than 75,000 barrels per day of crude oil.[1] These waivers are to be limited to refineries for which RFS compliance creates a "disproportionate economic hardship" and must be issued in consultation with the Secretaries of Energy and Agriculture.[2]

It has been reported that the EPA issued approximately 20 waivers exempting refineries from RFS compliance in 2016 and at least 25 for 2017 compliance.[3] This large number of waivers has the potential to reduce domestic ethanol demand by billions of gallons, reducing the mandated 15 billion gallons of ethanol required to be blended in liquid fuels and hurting American farmers and American agriculture.

At a Senate Agriculture Appropriations Subcommittee hearing on April 11, 2018, Secretary of Agriculture Sonny Perdue expressed his concern that reducing the mandated blending requirement of 15 billion gallons creates "demand destruction" I am concerned that this

[1] https://www.epa.gov/renewable-fuel-standard-program/renewable-fuel-standard-exemptions-small-refineries
[2] https://www.epa.gov/renewable-fuel-standard-program/requests-volume-requirement-waiver-under-renewable-fuel-standard
[3] https://www.houstonchronicle.com/business/article/With-flood-of-EPA-waivers-refineries-find-way-12805971.php

"destruction" will be particularly felt by South Dakota farmers and ethanol producers who produce 7 percent of our nation's ethanol.

Additionally, impacts from potential Chinese trade retaliation have yet to be realized. Any potential implications from trading conflicts with China will greatly impact American farmers. This, combined with the decrease in corn ethanol demand created by the issuance of these waivers will be tremendously costly and detrimental to American farmers, particularly those in South Dakota, who produced an estimated 788 million bushels of corn in 2017.

While I am pleased to hear the president express his support for the sale of E15 year-round, and I strongly encourage you to consider granting an RVP waiver to allow for increased sales of ethanol, I remain extremely concerned about the quantity of corn ethanol being eliminated from the U.S. market as a result of the large number of waivers issued.

I am writing to request information regarding the small refinery waivers granted in 2016 and 2017. Specifically, I would like to know, to the greatest extent possible:

- How many waivers have been granted waiving RFS compliance for 2016 and 2017?
- How many gallons of corn ethanol are displaced as a result of these waivers?
- What factors does the EPA consider when deciding whether to grant a waiver?
- What action does the EPA plan to take to make certain that despite these waivers, the demand for corn ethanol remains at the statutorily required level of 15 billion gallons per year?

I appreciate your attention to this matter and look forward to you response.

Sincerely,

M. Michael Rounds
United States Senator

Congress of the United States
Washington, DC 20515

April 2, 2018

The Honorable E. Scott Pruitt
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Pruitt:

We write to encourage your consideration and support for providing relief for small refineries suffering hardship due in considerable part to the Renewable Fuel Standard (RFS).

Congress rightly provided discretion to the EPA Administrator to intervene and provide exemptions for small refiners from the RFS program on an annual basis. We continue to believe it is appropriate to provide such relief for small refiners that: are without economies of scale to make the EPA's mandate cost capable; possess limited ability to blend biofuels with their petroleum products; or may produce a greater percentage of diesel fuel as compared to the national average. Each of these factors individually contributes to disproportionate hardship for small refiners and collectively poses threat of irreparable economic harm.

Additionally, we are aware that in conjunction with the 2018 Renewable Volume Obligation (RVO) rulemaking, EPA sought comment on whether or not to reallocate volumes associated with a small refiner exemption to other obligated parties. In the strongest of terms, we support EPA's past practice of not reallocating those RVOs.

As you know, small independent refiners across the country have been severely burdened by increasing costs of Renewable Identification Numbers (RINs) that independent refiners are forced to purchase under the RFS. In fact, several refiners now cite RIN purchases as their largest expense outside purchasing crude oil, and are spending more money buying RINs than on payroll. The RFS was originally implemented to combat a reduced supply of oil as domestic production dipped, however we are currently experiencing a domestic energy renaissance and are not threatened by a lack of supply. We believe that this broader issue needs to be addressed, but understand this waiver is needed in the meantime to protect small refiners from this failing program.

EPA's responsibility in administering the RFS is not to maximize at any cost the amount of biofuel mandated as transportation fuel. Additionally, the goal of the RFS is not to establish relative competitive advantages or disadvantages based on refinery scale or market dynamics. Rather, EPA's responsibility is to dutifully apply the law, including discretion where appropriate, in consultation with other relevant agencies. We ask you to continue to fulfill this responsibility in a timely manner.

Thank you for your consideration of the applications for small refinery exemptions. Please do not hesitate to let our offices know if we may be of assistance.

Sincerely,

Liz Cheney
Member of Congress

Steve Pearce
Member of Congress

Chris Stewart
Member of Congress

TREY HOLLINGSWORTH
9TH DISTRICT, INDIANA

1641 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-5315

321 QUARTERMASTER COURT
JEFFERSONVILLE, IN 47130
(812) 288-3999

720 EXECUTIVE PARK DRIVE, SUITE 3000B
GREENWOOD, IN 46143
(317) 851-8710

Congress of the United States
House of Representatives
Washington, DC 20515–1409

HOUSE FINANCIAL SERVICES
COMMITTEE

SUBCOMMITTEE ON
CAPITAL MARKETS

SUBCOMMITTEE ON
MONETARY POLICY

SUBCOMMITTEE ON
OVERSIGHT AND INVESTIGATIONS

April 18, 2018

Honorable Scott Pruitt
Office of the Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue N.W.
Washington, DC 20460

Administrator Pruitt,

With your leadership, the Environmental Protection Agency (EPA) has taken great strides in implementing President Trump's agenda to reduce the burden of unnecessary regulations on U.S. businesses.

Recently, EPA granted 25 hardship biofuels policy waivers to small oil refiners, exempting them from the requirements of the Renewable Fuel Standard (RFS). According to EPA's website, to qualify for an exemption, a small refiner must produce less than 75,000 gallons of fuel per day and must be able to prove that complying with the RFS will cause significant hardship.

Given the substantial increase in the number of waivers EPA has granted in recent months compared to previous years, I write to ask what, if anything, has changed leading to an increase in the number of waivers granted. What criteria in addition to the criteria outlined above does EPA use in determining whether or not small refiners receive exemptions? If so, is the criteria publicly available and will the same criteria be used going forward?

I look forward to your timely response.

Be of good cheer,

Trey Hollingsworth
Member of Congress

OLA

Congress of the United States
House of Representatives
Washington, D.C. 20515

April 20, 2018

V. I. P.
05/01/18
06/13/18
KAC

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

We write to express our concerns about recent reports that the Environmental Protection Agency (EPA) has granted a large number of waivers to refiners relieving them of their obligations under the Renewable Fuel Standard (RFS) program to blend renewable fuels into the transportation fuel supply as required by law.[1] Reports also indicate that some of the recipients of these waivers are not small refiners and are not experiencing financial hardship.[2]

As established in the Clean Air Act, the RFS program anticipated the need for compliance flexibility for small refiners. However, the authority of the Administrator to grant waivers to small refiners under the RFS program was never intended to nor does it permit the Administrator to use waiver authority to thwart the primary goal of the RFS program established by Congress – to increase the use of renewable fuels. While we disagree with the American Petroleum Institute's February 12, 2018 letter arguing that EPA should not grant any small refiner exemptions, those that are granted should be justified fully and in a manner that is consistent with the overriding purpose of the law.[3]

Misuse of the small refiner exemption to reduce renewable fuel volumes undermines the goal of the RFS program, creates uncertainty and economic hardship in the agricultural community, and gives unfair advantage to specific facilities within the refining sector. In addition, the lack of transparency and public accountability related to the granting of these waivers creates the appearance of partiality to favored interests. It is deeply concerning.

---

[1] *U.S. ethanol groups bristle as EPA frees refiners from biofuels law*, Reuters (Apr. 4, 2018) (www.reuters.com/article/us-usa-biofuels-epa-refineries/u-s-ethanol-groups-bristle-as-epa-frees-refiners-from-biofuels-law-idUSKCN1HB2AH).

[2] *EPA gives giant refiner a 'hardship' waiver from regulation*, Reuters (Apr. 3, 2018) (www.reuters.com/article/us-usa-biofuels-epa-refineries-exclusive/exclusive-epa-gives-giant-refiner-a-hardship-waiver-from-regulation-idUSKCN1HA21P).

[3] Letter from Mr. Frank J. Macchiarola, Group Director of Downstream & Industry Operations at the American Petroleum Institute to Assistant Administrator William Wehrum U.S. Environmental Protection Agency (Feb. 12, 2018) (www.api.org/~/media/Files/News/Letters-Comments/2017/API-Letter-2-12-18.pdf).

As Ranking Members of the Committee on Energy and Commerce and the Committee on Agriculture who were in Congress when the RFS program was initiated and subsequently amended, we have long experience with the program. We are well aware of the disparate views on its successes and shortcomings among the many stakeholders with interests in this program. However, we believe that manipulating the law to favor one group of stakeholders is not the way to resolve these issues.

At his confirmation hearing, Administrator Pruitt told Senator Fischer: "It is not the job of the Administrator of the EPA to do anything other than administer the program according to the intent of Congress, and I commit to you to do so." [4] Specifically on the subject of waiver authority under the RFS program, Mr. Pruitt stated, "... the waiver authority should be used judiciously, and the act should be complied with and enforced consistent with the will of Congress."[5] Administrator Pruitt's actions with respect to the small refiner waiver program are not consistent with this commitment, and threaten to undermine the ongoing discussions you are leading to find common ground between the agriculture and petroleum fuel industries.

Despite any difficulties with this program, there is no denying its importance to our nation's agricultural sector and to rural communities in a number of states across the country. It is vital that EPA administer this program in a fair and unbiased manner in accordance with the law.

We urge you to instruct EPA to suspend consideration of any additional waiver requests and take steps to improve the transparency and accountability of the waiver program. We recognize the difficulty of reconciling the different stakeholder interests in this program. Nevertheless, Administrator Pruitt cannot and should not misuse the authority of his office in an attempt to subvert it to suit favored interests.

---

[4] Senate Committee on Environment and Public Works, *Hearing on Nomination of Attorney General Scott Pruitt to be Administrator of the U.S. Environmental Protection Agency*, 115th Cong., at p. 48 - 49 (Jan. 18, 2017) (S. Hrg. 115-1) (www.gpo.gov/fdsys/pkg/CHRG-115shrg24034/pdf/CHRG-115shrg24034.pdf). .

[5] *Id.*

If the law is to be changed, we urge you to work with Congress to find a solution that strikes an appropriate balance among all parties with a stake in this program and the future of transportation fuels.

Sincerely,

Frank Pallone, Jr.
Ranking Member
Committee on Energy
and Commerce

Collin Peterson
Ranking Member
Committee on Agriculture

U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON ENERGY AND COMMERCE
WASHINGTON, DC 20515-6115

OFFICIAL BUSINESS

Henry Waxman
M.C.

The President
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

20500$0003 C000

QC✓#012
485

APR 27 2010
✓#077

Wed Apr 25 14:50:59 EDT 2018
CMS.OEX@epamail.epa.gov
FW: Senate Hardship Waivers request - status please
To: "cms.oex@domino.epamail.epa.gov" <cms.oex@domino.epamail.epa.gov>

From: Hope, Brian
Sent: Wednesday, April 25, 2018 6:50:59 PM (UTC+00:00) Monrovia, Reykjavik
To: CMS.OEX
Subject: FW: Senate Hardship Waivers request - status please

From: Polka, William D [mailto:POLKAW@nationwide.com]
Sent: Monday, April 23, 2018 9:40 AM
To: Pruitt, Scott <Pruitt.Scott@epa.gov>
Subject: Senate Hardship Waivers request - status please

Mr. Pruitt, a bipartisan group of Senators, led by our own Chuck Grassley, sent a letter to your office in regards to the inappropriate issuance of hardship waivers to "big oil" and other EPA actions that are endangering our Renewable Fuels industry.

I would like to know what your office is doing in response to this letter.

Respectfully,

Bill Polka

5187 170th Ave

Carlisle, IA

polkaw@nationwide.com

Cell – (515) 249-5586

"There are many ways of going forward, but only one way of standing still."
Franklin D. Roosevelt

Wed May 16 07:38:18 EDT 2018
CMS.OEX@epamail.epa.gov
FW: Respectfully request...
To: "cms.oex@domino.epamail.epa.gov" <cms.oex@domino.epamail.epa.gov>

From: Hope, Brian
Sent: Wednesday, May 16, 2018 11:38:18 AM (UTC+00:00) Monrovia, Reykjavik
To: CMS.OEX
Subject: FW: Respectfully request...

From: Rhonda Yoder [mailto Personal Email / Ex. 6]
Sent: Tuesday, May 15, 2018 9:13 PM
To: DAYZEROPREFIX Pruitt, Scott <DAYZEROPREFIXpruitt.scott@epa.gov>
Subject: Respectfully request...

My husband and I run a small family farm in Iowa. We respectfully request that you consider the hardship that the waivers would cause my family. Please set aside any political ramifications and follow your heart. Thank You, Rhonda Yoder

I can also be reached a Personal Email / Ex. 6

Fri May 04 16:44:10 EDT 2018
CMS.OEX@epamail.epa.gov
FW: Letter Regarding RFS
To: "cms.oex@domino.epamail.epa.gov" <cms.oex@domino.epamail.epa.gov>

From: Hope, Brian
Sent: Friday, May 4, 2018 8:44:07 PM (UTC+00:00) Monrovia, Reykjavik
To: CMS.OEX
Subject: FW: Letter Regarding RFS

From: Deana Wiese [mailto:dwiese@clearwatercommunications.net]
Sent: Friday, May 04, 2018 2:07 PM
To: Pruitt, Scott <Pruitt.Scott@epa.gov>
Cc: Lance Gaebe <lgaebe@clearwatercommunications.net>; 'Gerald Bachmeier' <gerald@redtrailenergy.com>
Subject: Letter Regarding RFS

Administrator Pruitt,

Attached please find a letter from the North Dakota Ethanol Producers Association regarding the Renewable Fuels Standard (RFS).

Deana

Deana Wiese

ND Ethanol Producers Association

Bismarck, ND

701-355-4458

701-400-5494 (cell)

dwiese@clearwatercommunications.net

NDEPA
NORTH DAKOTA ETHANOL PRODUCERS ASSOCIATION

May 4, 2018

The Honorable Scott Pruitt
Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Pruitt:

The North Dakota Ethanol Producers Association (NDEPA) strongly opposes the economic hardship waivers the Environmental Protection Agency (EPA) has authorized for several oil refiners to exempt compliance with the Renewable Fuels Standard (RFS). This action, combined with recent proposals to cap Renewable Identification Number (RIN) prices, has serious implications for the ethanol industry and agricultural sector. We urge you to honor the Congressional intent of the RFS by halting the issuance of economic hardship waivers and rejecting any RIN price cap proposals. Additional ethanol market opportunities can be established by addressing the Reid Vapor Pressure (RVP) issue and allowing sales of higher blends year-round nationwide.

During recent testimony to Congress, you acknowledged EPA has approved economic hardship waivers for several small refineries. Studies have shown there is no economic hardship with blending ethanol as the finished product is more valuable than the cost of the renewable fuel that was blended. In addition, these waivers could seriously impact corn demand, which would be disastrous to an already struggling farm economy.

It is critical that EPA not haphazardly relinquish industry obligations to incorporate ethanol into the nation's fuel supply. North Dakota's ethanol industry opposes manipulation of the legal volume objectives or RIN certificate prices, as this too will undermine the integrity of the RFS and significantly reduce demand for ethanol, corn and all agricultural commodities.

Regarding RVP, the existing waiver is an arbitrary cap on ethanol that can be blended in gasoline. Resolving this seasonal sales limitation would allow for an estimated 1 billion gallons of ethanol into the market, which represents approximately 357 million bushels of corn, just under the total size of North Dakota's annual corn crop. We applaud President Trump's recent statement of support of higher ethanol blend sales year-round. Your immediate implementation of regulatory adjustment to allow these sales will reduce fuel costs, reduce evaporative and tailpipe emissions, improve the environment, and enhance rural economies. We urge you to release a timeline of the rulemaking process to specify how EPA will authorize higher ethanol blend sales and ask that higher ethanol blends be allowed to be sold during the interim while regulations are updated.

Congress passed the RFS to improve air quality, lower fuel costs, encourage energy independence, and support investment in rural America. It has been successful in accomplishing these goals. The RFS has created certainty for the ethanol and corn industries, while contributing to a multi-billion-dollar investment in facilities. This market supports all of agriculture and has had a transformative positive impact on rural economies. We urge you to maintain the intent of Congress in its adoption of the RFS by halting the issuance of economic hardship waivers, rejecting RIN price cap proposals, and authorizing year-round sales of higher level ethanol blends.

Sincerely,

Gerald Bachmeier, *President*
Red Trail Energy, LLC
701-974-3308
gerald@redtrailenergy.com

Ryan Thorpe, *Vice President*
Tharaldson Ethanol Plant
701-347-4000
rthorpe@tharaldsonco.com

Randy Schneider, *Sec./Treas.*
701-426-4994
randyschneidercpa@yahoo.com

Jeff Zueger, *Director*
Blue Flint Ethanol/Dakota Spirit AgEnergy
701-442-7501
jzueger@midwestagenergy.com

Tracey Olson, *Director*
Hankinson Renewable Energy
952-465-0223
tracey.olson@guardianNRG.com

Small Refinery Hardship Correspondence and Congressional Requests
As of 4/17/18

Date	From	Topic	Control No.	Notes
	CRS		N/A	
3/13/18	Sens. Barrasso + Capito	Urge EPA & DOE to ensure to protect small refinery CBI.	AL-18-000-5445	Sent to EPA & DOE
4/12/18	McCaskill, Grassley, Klobuchar, Ernst, Stabenow, Fischer, Durbin, Thune, Smith, Blunt, Duckworth, Heitkamp	Asks: 1. Cease issuing waivers. 2. Provide full list of 2016-18 waivers. 3. Provide detailed report to Congress by end of April justifying waivers in #2. 4. Written commitment & plan to consider waivers only during RVO rule process, with notice & comment opportunities on future waiver requests.	AL-18-000-6413	

Date	From	Topic	Control No.	Notes
4/16/18	BP	Concern with "unprecedented expansion of the small refinery exemption", granting of exemptions is unlawful, and has adverse market consequences.		
	RFA			

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Charles E. Grassley
United States Senate
Washington, D.C. 20510

Dear Senator Grassley:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

Your letter requests information related to those small refineries granted exemptions in 2016, 2017, and 2018. EPA is unable to provide information that is fully responsive to your request, as we treat both the names of individual petitioners and EPA's decision on those petitions as Confidential Business Information (CBI), pending a final CBI determination by EPA's Office of General Counsel. However, we can share the following aggregated information regarding SREs granted in recent years:

- For the 2016 compliance year, we received 20 petitions from small refineries. We granted exemptions for 19 of those, with a total exempted renewable fuel volume obligation of 790 million RINs. We denied 1 petition.
- For the 2017 compliance year, we have received 33 petitions from small refineries. To date, we have granted exemptions for 29 of those, with a total exempted renewable fuel volume obligation of 1.46 billion RINs. We are still processing the remaining 4 petitions for hardship exemptions for the 2017 compliance year.
- We have not yet received any petitions for the 2018 compliance year.

EPA appreciates the importance of the RFS program to stakeholders across the country, including farmers, producers, and obligated parties like refiners and importers. As such, we are interested in ensuring the program is implemented in a fair and effective manner. EPA also appreciates the important role Congress has and will continue to play in the success of the program. As such, we look forward to working with you and your colleagues as we continue to look for opportunities to improve the operation of the program.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Karen Thundiyil in the EPA's Office of Congressional and Intergovernmental Relations at thundiyil.karen@epa.gov or 202-564-1142.

Sincerely,

W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Roy Blunt
United States Senate
Washington, D.C. 20510

Dear Senator Blunt:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Karen Thundiyil in the EPA's Office of Congressional and Intergovernmental Relations at thundiyil.karen@epa.gov or 202-564-1142.

Sincerely,

W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Joe Donnelly
United States Senate
Washington, D.C. 20510

Dear Senator Donnelly:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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EPA appreciates the importance of the RFS program to stakeholders across the country, including farmers, producers, and obligated parties like refiners and importers. As such, we are interested in ensuring the program is implemented in a fair and effective manner. EPA also appreciates the important role Congress has and will continue to play in the success of the program. As such, we look forward to working with you and your colleagues as we continue to look for opportunities to improve the operation of the program.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Karen Thundiyil in the EPA's Office of Congressional and Intergovernmental Relations at thundiyil.karen@epa.gov or 202-564-1142.

Sincerely,

W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Tammy Duckworth
United States Senate
Washington, D.C. 20510

Dear Senator Duckworth:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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EPA appreciates the importance of the RFS program to stakeholders across the country, including farmers, producers, and obligated parties like refiners and importers. As such, we are interested in ensuring the program is implemented in a fair and effective manner. EPA also appreciates the important role Congress has and will continue to play in the success of the program. As such, we look forward to working with you and your colleagues as we continue to look for opportunities to improve the operation of the program.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Karen Thundiyil in the EPA's Office of Congressional and Intergovernmental Relations at thundiyil.karen@epa.gov or 202-564-1142.

Sincerely,

W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Richard J. Durbin
United States Senate
Washington, D.C. 20510

Dear Senator Durbin:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Karen Thundiyil in the EPA's Office of Congressional and Intergovernmental Relations at thundiyil.karen@epa.gov or 202-564-1142.

Sincerely,

W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Joni K. Ernst
United States Senate
Washington, D.C. 20510

Dear Senator Ernst:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

Your letter requests information related to those small refineries granted exemptions in 2016, 2017, and 2018. EPA is unable to provide information that is fully responsive to your request, as we treat both the names of individual petitioners and EPA's decision on those petitions as Confidential Business Information (CBI), pending a final CBI determination by EPA's Office of General Counsel. However, we can share the following aggregated information regarding SREs granted in recent years:

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EPA appreciates the importance of the RFS program to stakeholders across the country, including farmers, producers, and obligated parties like refiners and importers. As such, we are interested in ensuring the program is implemented in a fair and effective manner. EPA also appreciates the important role Congress has and will continue to play in the success of the program. As such, we look forward to working with you and your colleagues as we continue to look for opportunities to improve the operation of the program.

Again, thank you for your letter. If you have further questions, please contact me or your staff may contact Karen Thundiyil in the EPA's Office of Congressional and Intergovernmental Relations at thundiyil.karen@epa.gov or 202-564-1142.

Sincerely,

W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Deb Fischer
United States Senate
Washington, D.C. 20510

Dear Senator Fischer:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Heidi Heitkamp
United States Senate
Washington, D.C. 20510

Dear Senator Heitkamp:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Amy Klobuchar
United States Senate
Washington, D.C. 20510

Dear Senator Klobuchar:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

Congress established the small refinery exemption program recognizing that small refineries may, in some cases, require hardship exemptions under the RFS program. Section 211(o)(9) of the Clean Air Act (CAA) authorizes the Administrator to temporarily exempt small refineries from their renewable fuel volume obligations under the RFS program on the basis of a finding of "disproportionate economic hardship" (DEH). The statute directs EPA, in consultation with the Department of Energy (DOE), to consider the DOE Small Refinery Study and "other economic factors" in evaluating small refinery exemption petitions. Over the past several years, working in close consultation with DOE, EPA has implemented the SRE provisions of the CAA. We appreciate that the SREs granted over the past several months have been the focus of many stakeholders' attention, but we are required by statute to implement these provisions and we will continue to manage the program consistent with the law.

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W L Wehrum

William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Claire McCaskill
United States Senate
Washington, D.C. 20510

Dear Senator McCaskill:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

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William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Tina Smith
United States Senate
Washington, D.C. 20510

Dear Senator Smith:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

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William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable Debbie Stabenow
United States Senate
Washington, D.C. 20510

Dear Senator Stabenow:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

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William L. Wehrum
Assistant Administrator

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

July 12, 2018

OFFICE OF
AIR AND RADIATION

The Honorable John Thune
United States Senate
Washington, D.C. 20510

Dear Senator Thune:

Thank you for your letter of April 12, 2018, to the U.S. Environmental Protection Agency, regarding small refinery exemptions (SREs) granted to certain obligated parties under the Renewable Fuel Standard (RFS) program.

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